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FOREIGN TRADE IN PLUMS AND GRAPES

HEARING BEFORE THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS

SECOND SESSION

ON

S. 1857

A BILL TO PROMOTE THE FOREIGN TRADE OF THE UNITED STATES IN GRAPES AND PLUMS, TO PROTECT THE REPUTATION OF AMERICAN-GROWN GRAPES AND PLUMS IN FOREIGN MARKETS, TO PREVENT DECEPTION OR MISREPRESENTATION AS TO THE QUALITY OF SUCH PRODUCTS MOVING IN FOREIGN COMMERCE, TO PROVIDE FOR THE COMMERCIAL INSPECTION OF SUCH PRODUCTS ENTERING SUCH COMMERCE, AND FOR OTHER PURPOSES

APRIL 12, 1960

Printed for the use of the Committee on Interstate and Foreign Commerce



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FOREIGN TRADE IN PLUMS AND GRAPES

TUESDAY, APRIL 12, 1960

U.S. SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The committee was called to order at 10 a.m., in room 5110, New Senate Office Building, Hon. Clair Engle presiding.

Senator ENGLE. The committee will be in order for the consideration of bill S. 1857, which has been introduced by me and by Senator Kuchel. This bill is to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce.

The bill makes it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, unless accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make rules, regulations, and orders necessary to carry out the provisions of the bill; and is also authorized, in his discretion, to permit the shipment of less than carload lots without complying with the provisions of the act.

The Secretary shall collect a reasonable fee to cover the cost of the service.

It also provides for the Secretary, after hearing, to refuse to issue certificates, for not to exceed 90 days, to any person who violates the provisions of this bill, and also provides for fines of not less than \$100 nor more than \$10,000 for persons who knowingly violate any provisions of the act.

Without objection a copy of the bill will be made a part of the record at this point, and without objection a copy of the departmental report from the Department of Agriculture will be made a part of the record at this point.

(The bill and statement follow:)

[S. 1857, 86th Cong., 1st sess.]

A BILL To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person to ship or offer for shipment or for any carrier, or any steamship com-

pany, or any person to transport or receive for transportation to any foreign destination, except as provided in this Act, any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary showing that such grapes or plums are of a Federal or State grade which meets the minimum of quality established by the Secretary for shipment in export. The Secretary is authorized to prescribe, by regulations, the requirements, other than those of grades, which the fruit must meet before certificates are issued. The Secretary shall provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendation with respect to any standard of export proposed to be established or designated, or regulation prescribed, by the Secretary for the purposes of this Act.

SEC. 2. The Secretary shall give reasonable notice through one or more trade papers of the effective date of standards of export established or designated by him under this Act: *Provided*, That any grapes or plums may be certified and shipped for export in fulfillment of any contract made within six months prior to the date of such shipment if the terms of such contract were in accordance with the grades and regulations of the Secretary in effect at the time the contract was made.

SEC. 3. Where the government of the country to which the shipment is to be made has standards or requirements as to condition of grapes and plums the Secretary may in addition to inspection and certification for compliance with the standards established or designated hereunder inspect and certify for determination as to compliance with the standards or requirements of such foreign government and may provide for special certificates in such cases.

SEC. 4. Grapes and plums in less than carload lots as defined by the Secretary may, in his discretion, be shipped to any foreign country without complying with the provisions of this Act.

SEC. 5. For inspecting and certifying the grade, quality, or condition of grapes or plums the Secretary shall cause to be collected a reasonable fee which shall, as nearly as may be, cover the cost of the service rendered: *Provided*, That when cooperative arrangements satisfactory to the Secretary, or his designated representative, for carrying out the purposes of this Act cannot be made the fees collected hereunder in such cases shall be available until expended to defray the cost of the service rendered, and in such cases the limitations on the amounts expended for the purchase and maintenance of motor-propelled passenger-carrying vehicles shall not be applicable: *Provided further*, That certificates issued by the authorized agents of the United States Department of Agriculture shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained.

SEC. 6. After opportunity for hearing the Secretary is authorized to refuse the issuance of certificates under this Act for periods not exceeding ninety days to any person who ships or offers for shipment any grapes or plums in foreign commerce in violation of any of the provisions of this Act. Any person or any common carrier or any transportation agency knowingly violating any of the provisions of this Act shall be fined not less than \$100 nor more than \$10,000 by a court of competent jurisdiction.

SEC. 7. The Secretary may make such rules, regulations, and orders as may be necessary to carry out the provisions of this Act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, whether operating in one or more jurisdictions; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses including reporting services, as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and as may be appropriated for by Congress. This Act shall not abrogate nor nullify any other statute, whether State or Federal, dealing with the same subjects as this Act; but it is intended that all such statutes shall remain in full force and effect except insofar as they are inconsistent herewith or repugnant hereto.

SEC. 8. If any provision of the Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC 9. That when used in this Act—

(1) The term "person" includes individuals, partnerships, corporations, and associations.

(2) The term "Secretary" means the Secretary of Agriculture.

(3) Except as provided herein, the term "foreign commerce" means commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

(4) The term "grapes" means vinifera species table grapes, European type, whether or not they have been in storage.

(5) The term "plums" means both European and Japanese type, whether or not they have been in storage, but does not mean Italian-type prunes.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., October 21, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate.

DEAR SENATOR MAGNUSON: This is in reply to your letter of May 5, 1959, in which you transmitted a copy of S. 1857 to this Department for comments concerning this proposed legislation.

This Department recommends that this bill be enacted.

The purpose of this bill is to promote foreign trade of the United States in grapes and plums, to promote the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, and to provide for the commercial inspection of such products entering such commerce.

To accomplish these objectives this bill would make it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, except as provided in this bill, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, in packages which are not accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make such rules, regulations, and orders as may be necessary to carry out the provisions of this bill.

The bill would require the Secretary to provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendations with respect to any proposed standards of export or regulations prescribed by him for the purposes of this legislation. It would further require the Secretary to give reasonable notice, through one or more trade papers, of the effective date of standards of export established by him, provided that grapes or plums may be certified and shipped for export in fulfillment of any contracts made within 6 months prior to the date of shipment if the terms of such contracts were in accordance with the grades and regulations in effect at the time the contracts were made. The Secretary may, at his discretion, exempt shipments of grapes and plums in less than carload lots as defined by him. The bill would require collection of a reasonable fee to cover the cost of services rendered in certifying products for export under it.

The bill would authorize the Secretary, after giving opportunity for hearing, to refuse the issuance of certificates under the legislation for periods not exceeding 90 days to any person who ships or offers for shipment any grapes and plums in violation. Any person, carrier, or transportation agency knowingly violating any provisions of this measure would be subject to a fine of not less than \$100 or more than \$10,000 by a court of competent jurisdiction.

It is noted in paragraph (5) of section 9 that Italian-type prunes are exempt from the bill. It is suggested that damson-type plums also be exempt, as exports of damson plums are confined to small shipments to Canada and are usually processed rather than eaten out of hand as are the European- and Japanese-type fresh plums.

This bill is practically identical in its purpose and provisions to the Export Apple and Pear Act of 1933 currently administered by this Department. In our considered opinion, it is essential that U.S. fruitgrowers and shippers export good quality fruit if they are to maintain or increase the present level of fresh fruit exports, in view of current expansion of fruit production not only in this

country but in those countries competing with the United States in the world markets. The proposed legislation is designed to accomplish this and is therefore recommended by this Department.

In addition to the inspection services which would be covered by fees, the enactment of the proposed legislation would result in an estimated additional annual cost of approximately \$7,500 of appropriated funds for development, promulgation, and enforcement of the required export standards.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

MARVIN L. McLAIN,
Acting Secretary.

AUGUST 12, 1959.

HON. WARREN C. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request of May 6, 1959, for the views of the Department of Commerce with respect to S. 1857, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

This bill would authorize the Secretary of Agriculture to establish minimum quality and other standards for grapes and plums for export, to require inspection and certification of these products for export, and to collect a reasonable fee for such inspection and certification.

This Department supports the enactment of S. 1857. The establishment and enforcement of appropriate standards would facilitate and encourage foreign purchases of these U.S. products and thus contribute to a desirable expansion in U.S. exports. And, being patterned on practices already in use with respect to products sold domestically, this proposal would presumably involve relatively little administrative difficulty and cost to the trade which would probably be more than offset by the business advantages of selling officially graded and labeled goods.

The Bureau of the Budget has advised us that there would be no objection to the submission of this report to your committee.

Sincerely yours,

FREDERICK H. MUELLER,
Secretary of Commerce.

OFFICE OF THE SECRETARY OF THE TREASURY,
Washington, July 29, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of May 6, 1959, requesting the Department's comments concerning S. 1857, to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

It does not appear that the proposed legislation would impose any additional duties on the customs service in the administration of its provisions.

In general, this Department believes that it is undesirable to impose restrictions on the export of commodities for reasons other than those of health, sanitation, national security, and so forth. However, since the subject of the proposed legislation is not within an area of primary concern to the Treasury Department, it is not informed whether special reasons exist which warrant a departure from this principle and, accordingly, does not desire to comment on the merits of the bill.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

A. GILMORE FLUES,
Acting Secretary of the Treasury.

CIVIL AERONAUTICS BOARD,
Washington, D.C., May 19, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your letter of May 6, 1959, requesting any comments the Board may have concerning S. 1857, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

The proposed legislation is primarily directed to matters which are outside the province of the Board, and we have no comment to make on it.

Sincerely yours,

JAMES R. DURFEE, *Chairman.*

TARIFF COMMISSION,
Washington, D.C., May 29, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: Reference is made to your letter of May 6, 1959, requesting a report on S. 1857 of the 86th Congress, introduced by Senators Engle and Kuchel, with regard to promoting the foreign trade of the United States in grapes and plums, and to our acknowledgment of May 7.

Examination of the bill indicates that the proposal is to establish export standards for American-grown grapes and plums similar to the standards established for apples and pears in the act of June 10, 1933 (48 Stat. 123; 7 U.S.C. 581, et seq.).

The bill deals with a subject that is not within the special competence of the Tariff Commission, and the Commission therefore refrains from commenting thereon.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

JOSEPH E. TALBOT, *Chairman.*

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
Washington, D.C., May 28, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR MAGNUSON: The Commissioners of the District of Columbia have for report S. 1857, 86th Congress, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

Inasmuch as the Commissioners have no knowledge of any foreign commerce in grapes or plums originating in the District of Columbia, they are unable to evaluate the effect of the bill as it might relate to the District and accordingly they are unable to take a position on the measure.

The Commissioners have been advised by the Bureau of the Budget that there is no objection on the part of that office to the submission of this report to the Congress.

Yours very sincerely,

ROBERT E. McLAUGHLIN,
President, Board of Commissioners, District of Columbia.

DEPARTMENT OF STATE,
Washington, June 4, 1959.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate.*

DEAR SENATOR MAGNUSON: This is in reference to your letter of May 6, 1959, which was acknowledged on May 8, 1959. You requested this Department's comments on S. 1857, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

While the Department of State has no objection from a foreign policy point of view to the enactment of the proposed legislation, it defers to other agencies more directly concerned as to the need for and desirability of this legislation.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

WILLIAM B. MACOMBER, JR.,
Assistant Secretary
(For the Acting Secretary of State).

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 11, 1959.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: Your letter of May 6, 1959, requested the views of the General Services Administration on S. 1857, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

Inasmuch as the subject matter of this proposed legislation concerns primarily the Department of Agriculture and does not affect the functions of this agency, an expression of our views thereon would be inappropriate.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your Committee.

Sincerely yours,

FRANKLIN FLOETE, *Administrator.*

FEDERAL TRADE COMMISSION,
Washington.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your letter of May 6, 1959, inviting comment on S. 1857, 86th Congress, 1st session, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

The proposed legislation would require that persons who ship or transport grapes or plums to foreign destinations obtain a certificate from the Secretary of Agriculture showing that such products meet certain standards to be established by the Secretary of Agriculture. Violators could be refused the issuance of the required certificates for periods not exceeding 90 days and knowing violators would be subject to fine of not less than \$100 nor more than \$10,000. This bill is substantially similar in form to the Export Apple and Pear Act of 1933 (7 U.S.C. 581-589, inclusive).

The bill, if enacted, would not directly affect the duties and functions of the Federal Trade Commission. While we appreciate the opportunity afforded for comment, in view of the lack of direct effect of this proposed legislation upon the duties of this agency and the fact that we have not been immediately concerned with any of the problems to which this proposal is directed, it is not believed that there is any useful comment that we can offer.

By direction of the Commission:

EARL W. KINTNER, *Chairman.*

N.B.—Pursuant to regulations, this report was submitted to the Bureau of the Budget on July 1, 1959, and on July 17, 1959, the Commission was advised that there would be no objection to the submission of the report to the committee.

ROBERT M. PARRISH, *Secretary.*

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, D.C., July 17, 1959.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice on the bill (S. 1857) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

The bill makes it unlawful for any person to ship or offer for shipment for foreign destination, except as provided in the act, grapes or plums in packages not accompanied by a certificate from the Secretary of Agriculture to the effect that such grapes or plums meet minimum standards established by the Secretary for export. The Secretary is authorized to set up the standards the fruit must meet and shall provide through public hearings an opportunity for any interested persons to make recommendations with respect to any standard of export which will be established. Other provisions of the bill cover a number of matters, including notice of hearings, fees for inspection and penalties for violation of the requirements laid down by it.

The subject of this legislation is not a matter for which the Department of Justice has primary responsibility, and accordingly we make no recommendation as to the enactment of the bill.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

LAWRENCE E. WALSH,
Deputy Attorney General.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, May 11, 1959.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of May 6, 1959 requests our comments on the bill S. 1857, which would empower the Secretary of Agriculture to regulate the export shipment of grapes and plums.

We have no information as to the need or desirability of the proposed legislation and, therefore, have no comments to offer.

This report is submitted in triplicate, as requested.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Senator ENGLE. The Department report dated October 21, 1959, signed by Mr. Marvin L. McLain, the Acting Secretary, addressed to Senator Warren G. Magnuson, the chairman of the full committee, is a favorable report in which the Department suggests certain amendments.

Without objection the record will contain the statement by the California Grape & Tree Fruit League submitted by Mr. Harold Angier, general manager, California Grape & Tree Fruit League, 717 Market Street, San Francisco, Calif., in which communication statement Mr. Angier points to the fact that this legislation was introduced by me and Senator Kuchel at the request of the league and in which Mr. Angier agrees to certain of the modifying amendments suggested by the Department of Agriculture.

(The full statement follows.)

STATEMENT OF HAROLD ANGIER, GENERAL MANAGER, CALIFORNIA GRAPE & TREE
FRUIT LEAGUE

California Grape & Tree Fruit League is a nonprofit industry service organization. Its grower and shipper members produce, harvest, pack, and ship in interstate and foreign commerce over 85 percent of all the fresh deciduous tree fruits, berries, and grapes grown in California.

Senate bill 1857 was introduced by Senators Engle and Kuchel at the request of this league. Its provisions have been approved by the export and standardization and inspection committees of this league, and the board of directors instructed management to endeavor to have it introduced by an appropriate Member of Congress.

As introduced, S. 1857 is identical in language to the Export Apple and Pear Act (48 Stat. 123; 7 U.S.C. 581-589).

The purpose of the act is well stated in the preamble. It is an enabling act which authorizes the Secretary of Agriculture to promulgate such rules, regulations, and orders as may be necessary to carry out the provisions of the act.

Vinifera species table grapes (European type) and fresh plums, both European and Japanese types, are produced almost exclusively in California. This fact simplifies the problem of promulgation of rules and regulations by the Secretary of Agriculture which are acceptable to the growers, shippers, and exporters.

This proposed legislation is intended to enhance the possibilities of reestablishing the markets of Western Europe, particularly the United Kingdom, which were lost as a result of World War II.

Import restrictions imposed by foreign countries for balance-of-payment reasons have been the principal reason for the loss of historically important export outlets. For example, during the period 1934-38 the United Kingdom imported an average of 3,610,000 pounds of California fresh plums. None have been allowed to enter the United Kingdom since. Fresh California table grapes were allowed to enter the United Kingdom market in limited quantities since 1954. While California fresh grapes and plums were denied entry, British importers developed other world sources of supply.

Effective June 8, 1959, the United Kingdom liberalized the importation of all dollar-area fresh deciduous fruits except apples and pears, which are under a Northern Hemisphere quota.

This is an example of the reestablishment of unrestricted trading opportunity which must be protected by this proposed act. If California growers, shippers, and exporters are to take full advantage of this opportunity they must be protected from the danger of those few who for selfish reasons would attempt to dispose of inferior fruit and ruin the competitive opportunity for all. We would not ask for this legislation unless we believed it would help accomplish this objective.

We suggest the following amendments which we believe will improve the original language of the bill as introduced. We understand that the word "knowingly," line 6, page 4, section 6, has caused the Department some difficulty in enforcing some other laws in which it has been included. We favor deleting this word from the bill. We suggest that paragraph (5) of section 9 exclude damson-type plums as well as Italian-type prunes. These varieties are grown in several States and are generally consumed domestically, although there are some small shipments to Canada, and these might be difficult to regulate. Most of the damsons are processed.

We should like to have the legislative history show that, although section 4 provides for exemption from the act for shipments in less-than-carload lots, we believe that any exemption should be considerably less than a carload. The bill provides up to a carload only to meet any unforeseen circumstances which may arise.

We should like to have the legislative history show that section 7 is intended to also include authority to require such reports as may be necessary.

We respectfully request prompt and favorable action on S. 1857.

Senator ENGLE. Our first witness this morning will be Mr. Floyd Hedlund, Deputy Director of the Fruit and Vegetable Division of the Agricultural Marketing Service.

Mr. Hedlund, we will be glad to hear you at this point.

STATEMENT OF FLOYD F. HEDLUND, DEPUTY DIRECTOR, FRUIT AND VEGETABLE DIVISION, AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE

Mr. HEDLUND. Mr. Chairman, my name is Floyd F. Hedlund. I am Deputy Director of the Fruit and Vegetable Division, Agricultural Marketing Service. I have a statement I would like to read.

The purpose of Senate bill 1857 is to promote the foreign trade of American-grown grapes and plums; to protect the reputation of U.S. grapes and plums by providing for inspection of these commodities to prevent deception or misrepresentation as to quality of these commodities marketed in the export channels of trade. The Department is in accord with the purposes set forth and favors the enactment of the bill.

To accomplish these purposes, this bill would make it unlawful for any person either to ship, offer, or accept for shipment, to transport or receive for transportation to any foreign destination European-type grapes or European- and Japanese-type plums—except Italian-type prunes—in packages unless accompanied by a certificate showing that these products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make such rules and regulations as may be necessary to carry out the provisions of this bill.

This bill, as drawn, is practically identical in its purpose and provisions with the Export Apple and Pear Act, which was enacted in 1933 and is administered by the Department of Agriculture.

The bill would require the Secretary to provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendations with respect to any proposed standards of export or regulations prescribed by him for the purposes of this legislation. It would further require the Secretary to give reasonable notice, through one or more trade papers, of the effective date of standards of export established by him provided that grapes or plums may be certified and shipped for export in fulfillment of any con-

tracts made within 6 months prior to the date of shipment if the terms of such contracts were in accordance with the grades and regulations in effect at the time the contracts were made. This bill would require collection of a reasonable fee to cover the cost of inspection services rendered in certifying grapes and plums for export.

The bill would authorize the Secretary, after giving opportunity for hearing, to refuse the issuance of certificates under the legislation for periods not exceeding 90 days to any person who ships or offers for shipment any grapes and plums in violation of the regulations. Any person, carrier, or transportation agency knowingly violating any provisions of this measure would be subject to a fine of not less than \$100 or more than \$10,000 by a court of competent jurisdiction.

While we are in accord with the general provisions of the bill, we have a number of suggestions to offer concerning minor changes which we believe would strengthen and improve it especially from the standpoint of administration. In section 2 of the bill the proviso of 6 months on fulfilling contracts is too long a period we believe for grapes and plums. The marketing seasons for these commodities are relatively short. A 6-month proviso in this section might result in needed changes in regulations ineffective for an entire grape and plum marketing season. Hence, it is recommended the 6-month period be changed to 2 months.

Under section 4 of this bill the Secretary may, at his discretion, exempt shipments of grapes and plums in less than carload lots as defined by him. On the basis of experience gained in administering the Export Apple and Pear Act, we believe that a carload is too large a quantity to set as a basis for exemption for grapes and plums. It is recommended that the maximum exemption not be defined but dealt with through rules and regulations of the Secretary. In actual practice we think it would be preferable to set the exemption at something considerably less than a carload.

In paragraph (5) of section 9, Italian-type prunes are exempt from the bill. It is suggested that damson-type plums also be exempt, as exports of damson plums are confined to small shipments primarily to Canada and are usually processed rather than eaten out of hand as are European- and Japanese-type plums.

The word "knowingly" in the last sentence of section 6 might well be omitted because of the difficulty or impracticability of determining or proving that an act was, in fact, knowingly committed.

In section 7 it is recommended that the phrases, "and require such reports" be inserted after the word "order" in the first sentence so the sentence would read as follows:

The Secretary may make such rules, regulations, and orders, and require such reports, as may be necessary to carry out the provisions of this Act * * *. The reason for this change is to give the Secretary authority to require such reports from shippers and carriers as may be found necessary properly to administer the act.

In addition to the cost of inspection services, which would be covered by fees, the enactment of the proposed legislation would result in an estimated additional annual cost of approximately \$7,500 of appropriated funds for promulgation, administration, and enforcement of the required export standards.

It is our considered opinion that it is essential for U.S. fruitgrowers to export quality fruit if they are to maintain or improve their position in the fruit markets of the world. This becomes even more essential in view of the current expansion of fruit production, not only in this country, but in those countries competing with us in the foreign markets.

Senator ENGLE. Now, Mr. Hedlund, have you seen the letter of October 7, 1959, addressed to Senator Magnuson, the chairman of the committee, from the Interstate Commerce Commission in which objection is raised to extending liabilities to carriers subject to our jurisdiction, especially common carriers, since they would be presented with serious problems in their effort to avoid any possible charge of violation?

Mr. HEDLUND. I have not seen the letter but the essential parts of it have been telephoned to me.

Senator ENGLE. You know about it?

Mr. HEDLUND. Yes, sir.

Senator ENGLE. Mr. Tuggle in that letter dated October 7, 1959, says:

Accordingly we recommend that the proposal be amended so as to make it expressly inapplicable to common and contract carriers conducting operations in the ordinary course of business.

Am I correct in my conclusion that this bill, as drawn, is practically identical in its purposes and provisions with the Export Apple and Pear Act which was enacted in 1933?

Mr. HEDLUND. Yes, sir, that is true, and that provision is in the Export Apple and Pear Act.

Senator ENGLE. As far as you are aware has there been any difficulty or complaint about it from the common carriers?

Mr. HEDLUND. We have heard of none, and, Mr. Chairman, it is practically an impossibility to find out unless you have some point to determine these things.

Senator ENGLE. You certainly wouldn't leave it up to the shippers because they wouldn't identify themselves particularly.

Mr. Hedlund, do you have the language for the first amendment that you suggest on page 3 of your statement:

It is recommended that the maximum exemption not be defined but dealt with through rules and regulations of the secretary.

Mr. HEDLUND. We did not make any specific language, if you would like it we would prepare it.

Senator ENGLE. Will you draft it and since there are no other objections to it as I can determine from other statements filed, such amendment without objection will be adopted.

I said your first amendment, your first amendment on page 2, deleting the provision of 6 months and substituting the provision for 2 months; is that right?

Mr. HEDLUND. Yes, sir.

Senator ENGLE. Without objection that amendment is adopted.

Without objection the other amendment referred to previously is adopted.

Without objection amendment No. 3 with respect to damson type plums is adopted.

Without objection amendment No. 4, the word "knowingly," the last section of section 6 striking that word, is adopted.

And without objection the proposed amendment to section 7, being your amendment No. 5, adding the phrase "and require such reports" is adopted.

The staff will make any necessary perfecting amendments to incorporate the adopted amendments in the bill.

Without objection the letter from the ICC dated October 7, 1959, signed by Mr. Kenneth H. Tuggle will be made a part of the record. (The letter follows:)

OCTOBER 7, 1959.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce, U.S. Senate, Wash-
ington, D.C.*

DEAR CHAIRMAN MAGNUSON: Your letter of May 6, 1959, addressed to the Chairman of the Commission, and requesting comments on a bill, S. 1857, introduced by Senator Engle (for himself and Senator Kuchel), to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes, has been referred to our Committee on Legislation. After consideration by that Committee, I am authorized to submit the following comments in its behalf:

Section 1 of S. 1857 would make it unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, specified types of grapes or plums in packages, which are not accompanied by a certificate issued under authority of the Secretary of Agriculture showing that they are of a Federal or State grade which meets the minimum quality established by the Secretary for export shipment. The term "foreign commerce" is defined in section 9 of the bill as commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

Section 6 of the bill provides that any person or any common carrier or any transportation agency knowingly violating any of the provisions of the proposal would be liable to pay a fine of not less than \$100 nor more than \$10,000. This provision carries with it the implication that any person or any common carrier or any transportation agency that does not know of the existence of this law could not be in violation thereof. In other words, a question arises as to whether this is tantamount to a statutory exemption for "ignorance of the law."

At the same time it should be pointed out that section 1 of the bill makes it unlawful for any person to ship, or for any carrier or any person to transport or receive for transportation to any foreign destination any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary of Agriculture. The bill does not state that such person or carrier must knowingly transport. Thus, a person or carrier may knowingly transport grapes or plums without the required certificate, and, under the provisions of section 6 of the bill, not be in violation of the law if he is unaware of the existence of such law.

As to the desirability of subjecting shippers to liability for violations of the proposed statute we express no opinion. We consider it undesirable, however, to extend liability to carriers subject to our jurisdiction, especially common carriers, since they could be presented with serious problems in their efforts to avoid any possible charge of violation. The effect is to place upon the carrier the obligation of determining whether someone else is violating the law; that is, the carrier is required to ascertain whether the shipment is accompanied by the certificate described in section 1 of the bill. Moreover, enactment of this measure as it now reads, would be expensive and burdensome to the carriers, and would slow down service to the public if the carriers are to protect themselves. It goes without saying that any resulting increase in expense to the carrier would probably be reflected in increased rates to the public.

Accordingly we recommend that the proposal be amended so as to make it expressly inapplicable to common and contract carriers conducting operations in the ordinary course of business.

The bill does not otherwise pertain to the functions of this Commission and for that reason we are unable to express a helpful opinion with respect to its merits.

Respectfully submitted.

KENNETH H. TUGGLE,
Chairman, Committee on Legislation.
ANTHONY ARPAIA.
HOWARD FREAS.

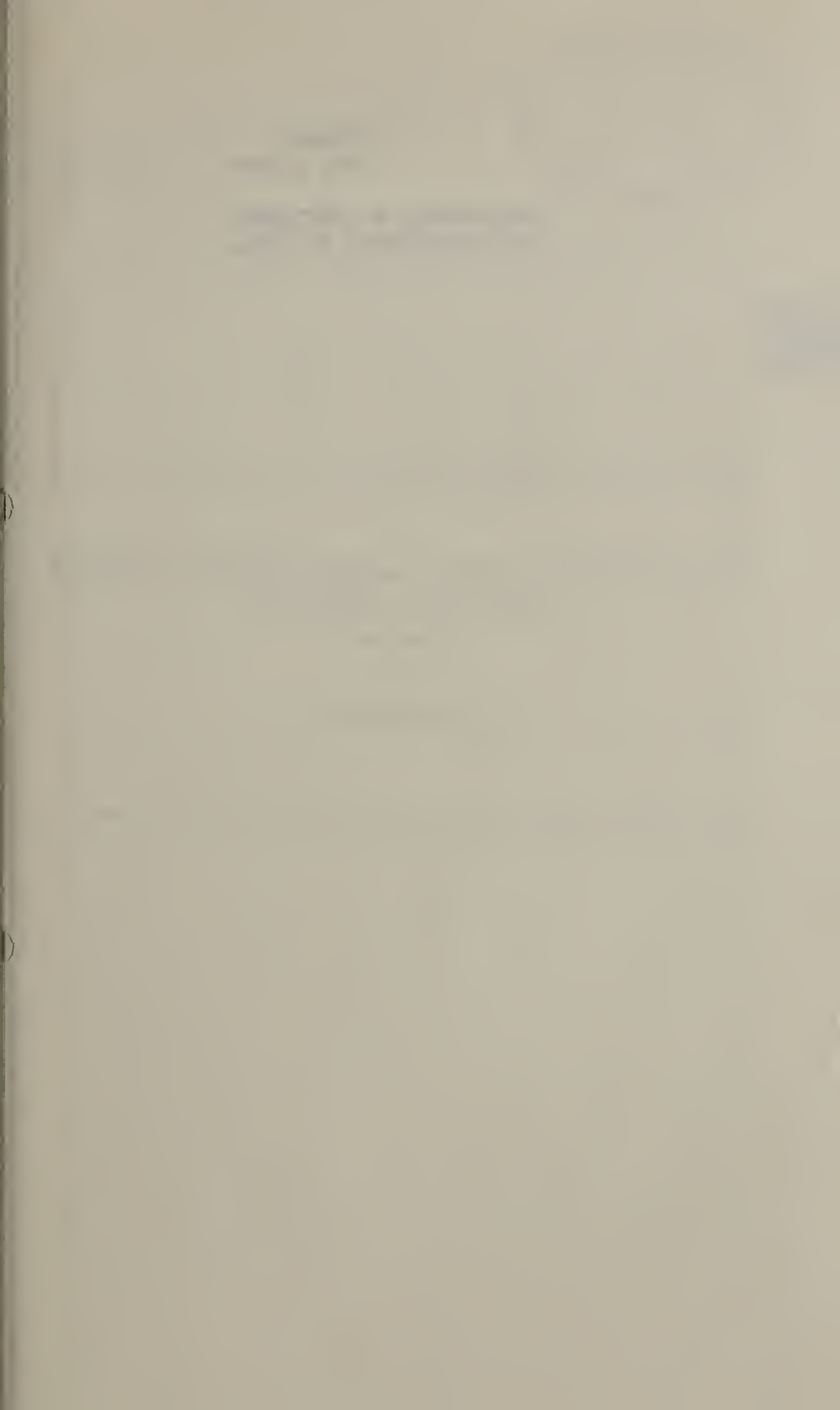
Senator ENGLE. If there are no further witnesses that concludes the hearing and this legislation will go before the full committee in executive session tomorrow.

(Thereupon, at 10:15 a.m., the committee proceeded to the consideration of other business.)

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The following is a list of the names of the members of the American Medical Association who have been elected to the office of President of the Association for the year 1917.

The following is a list of the names of the members of the American Medical Association who have been elected to the office of President of the Association for the year 1917.



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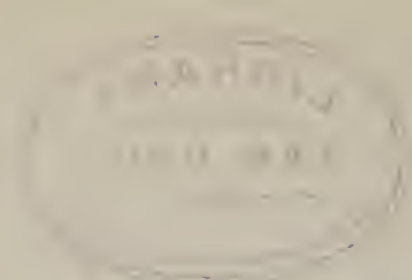
HEARINGS
before the

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

PROMOTE FOREIGN TRADE OF THE UNITED STATES
IN GRAPES AND PLUMS

S. 1857

JUNE 24, 1960



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PROMOTE THE FOREIGN TRADE OF THE UNITED STATES IN GRAPES AND PLUMS

FRIDAY, JUNE 24, 1960

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON DEPARTMENTAL OVERSIGHT
AND CONSUMER RELATIONS OF THE
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met at 10:35 a.m., pursuant to notice, in room 1310, New House Office Building, Hon. Paul C. Jones (chairman of the subcommittee) presiding.

Present: Representatives Jones, Hagen, Jennings, Dixon, and Dague.

Also present: Christine S. Gallagher, clerk.

Mr. JONES. The next bill that we will take up will be S. 1857.

(S. 1857 follows:)

[S. 1857, 86th Cong., 2d sess.]

AN ACT To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, except as provided in this Act, any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary showing that such grapes or plums are of a Federal or State grade which meets the minimum of quality established by the Secretary for shipment in export. The Secretary is authorized to prescribe, by regulations, the requirements, other than those of grades, which the fruit must meet before certificates are issued. The Secretary shall provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendation with respect to any standard of export proposed to be established or designated, or regulation prescribed, by the Secretary for the purposes of this Act.

SEC. 2. The Secretary shall give reasonable notice through one or more trade papers of the effective date of standards of export established or designated by him under this Act: *Provided*, That any grapes or plums may be certified and shipped for export in fulfillment of any contract made within two months prior to the date of such shipment if the terms of such contract were in accordance with the grades and regulations of the Secretary in effect at the time the contract was made.

SEC. 3. Where the government of the country to which the shipment is to be made has standards or requirements as to condition of grapes and plums the Secretary may in addition to inspection and certification for compliance with the standards established or designated hereunder inspect and certify for determination as to compliance with the standards or requirements of such foreign government and may provide for special certificates in such cases.

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

SEC. 5. For inspecting and certifying the grade, quality, or condition of grapes or plums the Secretary shall cause to be collected a reasonable fee which shall, as nearly as may be, cover the cost of the service rendered: *Provided*, That when cooperative arrangement satisfactory to the Secretary, or his designated representative, for carrying out the purposes of this Act cannot be made the fees collected hereunder in such cases shall be available until expended to defray the cost of the service rendered, and such cases the limitations on the amounts expended for the purchase and maintenance of motor-propelled passenger-carrying vehicles shall not be applicable: *Provided further*, That certificates issued by the authorized agents of the United States Department of Agriculture shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained.

SEC. 6. After opportunity for hearing the Secretary is authorized to refuse the issuance of certificates under this Act for periods not exceeding ninety days to any person who ships or offers for shipment any grapes or plums in foreign commerce in violation of any of the provisions of this Act. Any person or any common carrier or any transportation agency violating any of the provisions of this Act shall be fined not less than \$100 nor more than \$10,000 by a court of competent jurisdiction.

SEC. 7. The Secretary may make such rules, regulations, and orders, and require such reports, as may be necessary to carry out the provisions of this Act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, whether operating in one or more jurisdictions; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses including reporting services, as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and as may be appropriated for by Congress. This Act shall not abrogate nor nullify any other statute, whether State or Federal, dealing with the same subjects as this Act; but it is intended that all such statutes shall remain in full force and effect except insofar as they are inconsistent herewith or repugnant hereto.

SEC. 8. If any provision of the Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 9. That when used in this Act—

(1) The term "person" includes individuals, partnerships, corporations, and associations.

(2) The term "Secretary" means the Secretary of Agriculture.

(3) Except as provided herein, the term "foreign commerce" means commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

(4) The term "grapes" means vinifera species table grapes, European type, whether or not they have been in storage.

(5) The term "plums" means both European and Japanese type, whether or not they have been in storage, but does not mean Italian-type prunes, nor damson-type plums.

Passed the Senate May 4, 1960.

Attest:

FELTON M. JOHNSTON, *Secretary*.

Mr. JONES. Mr. Floyd F. Hedlund, the Deputy Director of the Fruit and Vegetable Division of the USDA.

STATEMENT OF FLOYD F. HEDLUND, DEPUTY DIRECTOR, FRUIT AND VEGETABLE DIVISION, AGRICULTURAL MARKETING SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. JONES. Do you have a prepared statement?

Mr. HEDLUND. Yes; I have a very brief statement which I would like to make.

Mr. JONES. All right; you may just be seated.

Mr. HEDLUND. My name is Floyd Hedlund. I am Deputy Director of the Fruit and Vegetable Division of the Department of Agriculture.

The purpose of Senate bill 1857 is to promote the foreign trade of American-grown grapes and plums; to protect the reputation of U.S. grapes and plums by providing for inspection of these commodities to prevent deception or misrepresentation as to quality of these commodities marketed in the export channels of trade. The Department is in accord with the purposes set forth and favors the enactment of the bill.

To accomplish these purposes, this bill would make it unlawful for any person either to ship, offer or accept for shipment, to transport or receive for transportation to any foreign destination European-type grapes or European- and Japanese-type plums—except Italina-type prunes and damson-type plums—in packages unless accompanied by a certificate showing that these products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make such rules and regulations as may be necessary to carry out the provisions of this bill.

This bill is very similar in its purpose and provisions to the Export Apple and Pear Act, which was enacted in 1938 and is administered by the Department of Agriculture.

The bill would require the Secretary to provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendations with respect to any proposed standards of export or regulations prescribed by him for the purposes of this legislation.

It would further require the Secretary to give reasonable notice, through one or more trade papers, of the effective date of standards of export established by him provided that grapes or plums may be certified and shipped for export in fulfillment of any contracts made within 2 months prior to the date of shipment if the terms of such contracts were in accordance with the grades and regulations in effect at the time the contracts were made. The bill would require collection of a reasonable fee to cover the cost of inspection services rendered in certifying grapes and plums for export.

The bill would authorize the Secretary, after giving opportunity for hearing, to refuse the issuance of certificates under the legislation for periods not exceeding 90 days to any person who ships or offers for shipment any grapes and plums in violation of the regulations. Any person, carrier, or transportation agency violating any provisions of this measure would be subject to a fine of not less than \$100 or more than \$10,000 by a court of competent jurisdiction.

In addition to the cost of inspection services, which would be covered by fees, the enactment of the proposed legislation would result in an estimated additional annual cost of approximately \$7,500 of appropriated funds for promulgation, administration, and enforcement of the required export standards.

It is our considered opinion that it is essential for U.S. fruit growers to export quality fruit if they are to maintain or improve their position in the fruit markets of the world. This becomes even more essential in view of the current expansion of fruit production, not only in this country, but in those countries competing with us in the foreign markets.

Mr. JONES. That concludes your statement?

Mr. HEDLUND. That is my statement.

Mr. JONES. Are the producers and the trade in favor of this legislation, or have you any information on that?

Mr. HEDLUND. Well, this bill was sponsored by the California Grape and Tree Fruit League, which organization filed a statement in the hearing in the Senate, and they are known to be interested and are supporting this measure. They represent to a large extent the producers and handlers of grapes and plums.

Most of these commodities that we are talking about are grown in the State of California.

Mr. JONES. I am sure the gentlemen from California might have some questions.

Mr. HAGEN. This applies to fresh and not to canned grapes and plums?

Mr. HEDLUND. It applies only to fresh.

Mr. DAGUE. What is a damson-type plum? What is the difference?

Mr. HEDLUND. A damson-type plum is a small plum grown in many areas of the United States, which is mainly used in making plum jam. It is not dealt with to any extent in the commercial channels of trade.

Mr. DAGUE. What is the difference between Italian-type plums and the domestic type?

Mr. HEDLUND. The plums that are being talked about here are the so-called plums that are grown in the lower part of the west coast and do not include Italian prunes which are grown primarily in the Northwest, in Washington and Oregon and Idaho. They are not particularly an export item, and they wanted to be excluded from this legislation.

Mr. DAGUE. I saw a quantity of them in storage one time in that cave outside of Topeka, Kans.; there must have been thousands of cases of them, and they were about as large as your thumb.

Mr. HEDLUND. They were dried prunes, which is quite another item.

The Italian prune is a fresh prune of a particular category, a dark purple fruit which you will see on the markets here coming August and September. But these prunes that you saw in the cave, which I recall very well, were dried prunes, which come mainly from out in the bay area of California.

Mr. HAGEN. When they ship these commodities, are they sold at auction overseas, or are they under firm contract?

Mr. HEDLUND. That depends, Mr. Congressman. Many of them are sold at auction, but you would have to say that many of those had

been sold under private treaty. Exporters in this country prefer, like everybody else, to sell their products on an F.A.S. basis, that is, firm sale before they leave here. But many of them are sold on a commission basis, that is, they are consigned to markets in Europe, to an agent who sells them there for what he can get. And many of our export markets were built up under a consignment arrangement.

But of course, anybody likes to have a firm sale before he ships the product.

Mr. HAGEN. As I understand the problem, probably they have had some bad experiences in mediocre fruit going overseas, so that there is less acceptance of the American product, and that is what they want to correct.

Mr. HEDLUND. That is the problem exactly. When a cargo of fruit arrives with heavy decay and heavy waste, it makes a bad name for our industry and results in losses of money to the handlers and, of course, doesn't do our future prospects any good.

Mr. JONES. During the harvest season, does the Department of Agriculture maintain inspectors at these points of packaging for packing?

Mr. HEDLUND. Yes, sir. The Department of Agriculture maintains an inspection service, primarily a Federal-State arrangement with the various States where inspection service is offered at most any point that it is desired.

Now, that inspection must be paid for by the user, it is a self-paying organization, so that the user must pay for the inspection. However, the inspection that we are talking about in this legislation may be made at any point even up to the time of export.

The grapes that you are considering here will be primarily emperor grapes, because they are the variety that is exported. They are stored in this country, very largely. We have grapes going into storage in October, and they may be there until April or May. Well, this inspection could take place at any particular time. Of course, if it is going to be exported directly from the packing shed, why, it would be ideal to have the inspection at the time of packing.

Mr. JONES. Did I understand when you read from your statement a minute ago that there would be an additional cost of only \$7,500?

Mr. HEDLUND. Yes, sir. That is what we figured would be the administrative cost of setting up and enforcing these regulations.

Mr. HAGEN. And that wouldn't be a repeat item, that would be an initial item?

Mr. HEDLUND. Well, it would be largely a repeat item, Mr. Congressman.

Now, the initial item will be issuing the rule. And then the principal expense thereafter is going to be checking up on exports, because you are never going to know what happens until you do a little checking of what is exported.

Mr. HAGEN. I was going to say, presumably the magnitude of the initial year would be larger than the succeeding years.

Mr. HEDLUND. You are quite right, sir. It will be larger, because we will have to go through hearings, or at least a rulemaking procedure, before you get a rule that will be acceptable to the trade and acceptable to the Secretary, and that will take some little expense.

Actually, if this became law, there could be nothing done for the plum season this year, because the season is on right now, as you know, and will be over before too long. The grape season, of course, is another matter, and our main export season will start late this fall.

Mr. JONES. I can't imagine any service, though, that could be performed by the Government for only \$7,500; that was the thing that was going through my mind. That wouldn't even provide putting on one full-time man. And I cannot imagine one person making too great a contribution to an industry that I had always imagined was of such magnitude.

Mr. HEDLUND. Well, sir, we have had a little experience with the export and apple and pear act for 27 years, and our costs under that have been limited to \$10,000 a year, and they are considerably bigger export items than plums and grapes. After the rules are published, we will not have any full-time people working on those programs. We will have a person who, in connection perhaps with other work, will make the checks, will audit the carriers, for example—and we will enforce this primarily through the steamship companies. We have just completed, as a matter of fact, an audit of steamship company records in many ports in connection with the export apple and pear act.

Most of those haven't involved more than a few days' time by a person who has other responsibilities. So that maybe we are wrong, maybe we are being too conservative in that, but we don't believe that it will be extremely expensive, and we would, of course, expect to do it in connection with the apple and pear export act, which may make a few savings.

Mr. HAGEN. Of course, these fees will return a large part of the costs.

Mr. HEDLUND. Well, the fees are for inspection only. We cannot use the fee money on inspection to take care of the administration. But the inspection itself, which is an expensive item, will be taken care of by fees. That cost generally runs \$12 a carload. But that is a fee that the exporter or the applicant for the inspection must pay.

Mr. DIXON. Is the inspector at the car one of your appointees?

Mr. HEDLUND. He is licensed by the Department of Agriculture. Most of our inspection services run on a Federal-State arrangement; that is, an agreement between the Federal Department and the State department of agriculture in California, for example. And the fee is collected, and that pays the cost of the inspection. That inspector is a State employee of the State of California. However, before he can inspect, he must have a Federal license. And we license the man, and have control over him as far as grade interpretation is concerned. He is actually a State employee, but he is licensed by the U.S. Department of Agriculture.

Mr. DIXON. The one that catches defective products right at the car?

Mr. HEDLUND. Yes, sir.

Mr. DIXON. What use is there to audit the steamship companies' records, then?

Mr. HEDLUND. Because if a man inspects a car of plums at the shipping point we never know whether it is going to be exported or not. The only way we have found to check whether it is actually exported

and whether it did comply or not is to check what went on the boat. And we do that by checking the steamship companies.

Mr. DIXON. It might spoil between the time it was loaded on the car and got on the steamship.

Mr. HEDLUND. It is possible. But these people are going to take pretty good care of their product.

Mr. DIXON. There is no inspection on the steamship?

Mr. HEDLUND. There is no necessary requirement of inspection on the steamship. Of course, the Secretary may make a requirement that the inspection must have been made within a prescribed time prior to export, so that he could catch those things.

But, on your grapes, for example, most of them I think are exported out of cold storage, and they will have a pretty good check on those; they will be shipped under refrigeration and exported under refrigeration.

Mr. JONES. In other words, you have here a penalty for any steamship line accepting any commodity included in this bill that does not have a certificate showing that it has been inspected and has met the necessary standard?

Mr. HEDLUND. Yes, sir.

Mr. HAGEN. I think the committee might be interested to know that they ship grapes surrounded by sawdust, ordinarily. This reflects the great care they devote to their products.

Mr. HEDLUND. Yes, sir.

Mr. HAGEN. Each grape is surrounded by a layer of sawdust. And then they keep it in cold storage.

Mr. JONES. Are there any other questions on this particular piece of legislation?

(No response.)

Mr. JONES. Thank you very much, Mr. Hedlund.

(Whereupon, at 10:50 a.m., the hearing was concluded.)

LEGISLATIVE HISTORY

Public Law 86-687
S. 1857

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Digest of Public Law 86-6872

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INDEX AND SUMMARY OF S. 1857

May	5, 1959	Sen. Engle introduced S. 1857 which was referred to the Senate Interstate and Foreign Commerce Committee. Print of bill as introduced.
Apr.	13, 1960	Senate committee voted to report (but did not actually report) S. 1857.
Apr.	19, 1960	Senate committee reported S. 1857 with amendments. S. Report No. 1274. Print of bill and report.
May	4, 1960	Senate passed S. 1857 as reported.
May	6, 1960	S. 1857 was referred to the House Agriculture Committee. Print of bill as referred.
July	1, 1960	House committee voted to report (but did not actually report) S. 1857.
Aug.	18, 1960	House committee reported S. 1857 without amendment. H. Report No. 2107. Print of bill and report.
Aug.	23, 1960	House passed S. 1857 without amendment.
Sept.	2, 1960	Approved: Public Law 86-687.

DIGEST OF PUBLIC LAW 86-687

EXPORT STANDARDS FOR GRAPES AND PLUMS. Provides that it shall be unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, European-type grapes or European- and Japanese-type plums (except Italian-type prunes or damson-type plums), unless accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. Authorizes the Secretary to exempt the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe. Authorizes the Secretary to make such rules, regulations, and orders as may be necessary to carry out the provisions of the Act. Authorizes collection of a reasonable fee to cover the cost of service rendered by the Department of Agriculture in inspecting and certifying grapes and plums for export.

86TH CONGRESS
1ST SESSION

S. 1857

IN THE SENATE OF THE UNITED STATES

MAY 5, 1959

Mr. ENGLE (for himself and Mr. KUCHEL) introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

A BILL

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That it shall be unlawful for any person to ship or offer for
4 shipment or for any carrier, or any steamship company, or
5 any person to transport or receive for transportation to any
6 foreign destination, except as provided in this Act, any

1 grapes or plums in packages which are not accompanied by a
2 certificate issued under authority of the Secretary showing
3 that such grapes or plums are of a Federal or State grade
4 which meets the minimum of quality established by the Sec-
5 retary for shipment in export. The Secretary is authorized
6 to prescribe, by regulations, the requirements, other than
7 those of grades, which the fruit must meet before certificates
8 are issued. The Secretary shall provide opportunity, by
9 public hearing or otherwise, for interested persons to examine
10 and make recommendation with respect to any standard of
11 export proposed to be established or designated, or regulation
12 prescribed, by the Secretary for the purposes of this Act.

13 SEC. 2. The Secretary shall give reasonable notice
14 through one or more trade papers of the effective date of
15 standards of export established or designated by him under
16 this Act: *Provided*, That any grapes or plums may be cer-
17 tified and shipped for export in fulfillment of any contract
18 made within six months prior to the date of such shipment
19 if the terms of such contract were in accordance with the
20 grades and regulations of the Secretary in effect at the time
21 the contract was made.

22 SEC. 3. Where the government of the country to which
23 the shipment is to be made has standards or requirements as
24 to condition of grapes and plums the Secretary may in addi-
25 tion to inspection and certification for compliance with the

1 standards established or designated hereunder inspect and
2 certify for determination as to compliance with the standards
3 or requirements of such foreign government and may provide
4 for special certificates in such cases.

5 SEC. 4. Grapes and plums in less than carload lots as
6 defined by the Secretary may, in his discretion, be shipped
7 to any foreign country without complying with the provi-
8 sions of this Act.

9 SEC. 5. For inspecting and certifying the grade, quality,
10 or condition of grapes or plums the Secretary shall cause
11 to be collected a reasonable fee which shall, as nearly as
12 may be, cover the cost of the service rendered: *Provided*,
13 That when cooperative arrangements satisfactory to the Sec-
14 retary, or his designated representative, for carrying out the
15 purposes of this Act cannot be made the fees collected here-
16 under in such cases shall be available until expended to
17 defray the cost of the service rendered, and in such cases the
18 limitations on the amounts expended for the purchase and
19 maintenance of motor-propelled passenger-carrying vehicles
20 shall not be applicable: *Provided further*, That certificates
21 issued by the authorized agents of the United States Depart-
22 ment of Agriculture shall be received in all courts of the
23 United States as prima facie evidence of the truth of the
24 statements therein contained.

25 SEC. 6. After opportunity for hearing the Secretary is

1 authorized to refuse the issuance of certificates under this
2 Act for periods not exceeding ninety days to any person who
3 ships or offers for shipment any grapes or plums in foreign
4 commerce in violation of any of the provisions of this Act.
5 Any person or any common carrier or any transportation
6 agency knowingly violating any of the provisions of this
7 Act shall be fined not less than \$100 nor more than \$10,000
8 by a court of competent jurisdiction.

9 SEC. 7. The Secretary may make such rules, regulations,
10 and orders as may be necessary to carry out the provisions
11 of this Act, and may cooperate with any department or
12 agency of the Government, any State, Territory, District, or
13 possession, or department, agency, or political subdivision
14 thereof, or any person, whether operating in one or more
15 jurisdictions; and shall have the power to appoint, remove,
16 and fix the compensation of such officers and employees not
17 in conflict with existing law, and make such expenditures
18 for rent outside the District of Columbia, printing, binding,
19 telegrams, telephones, law books, books of reference, publica-
20 tions, furniture, stationery, office equipment, travel, and other
21 supplies and expenses including reporting services, as shall
22 be necessary to the administration of this Act in the District
23 of Columbia and elsewhere, and as may be appropriated for
24 by Congress. This Act shall not abrogate nor nullify any
25 other statute, whether State or Federal, dealing with the

1 same subjects as this Act; but it is intended that all such
2 statutes shall remain in full force and effect except insofar
3 as they are inconsistent herewith or repugnant hereto.

4 SEC. 8. If any provision of the Act or the application
5 thereof to any person or circumstances is held invalid, the
6 validity of the remainder of the Act and of the application
7 of such provision to other persons and circumstances shall
8 not be affected thereby.

9 SEC. 9. That when used in this Act—

10 (1) The term “person” includes individuals, partner-
11 ships, corporations, and associations.

12 (2) The term “Secretary” means the Secretary of
13 Agriculture.

14 (3) Except as provided herein, the term “foreign com-
15 merce” means commerce between any State, or the District
16 of Columbia, and any place outside of the United States or
17 its possessions.

18 (4) The term “grapes” means vinifera species table
19 grapes, European type, whether or not they have been in
20 storage.

21 (5) The term “plums” means both European and Japa-
22 nese type, whether or not they have been in storage, but
23 does not mean Italian-type prunes.

A BILL

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

By Mr. ENGLE and Mr. KUCHEL.

MAY 5, 1959

Read twice and referred to the Committee on
Interstate and Foreign Commerce

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

Issued April 14, 1960
For actions of April 13, 1960
86th-2d, No. 68

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HIGHLIGHTS: House committee voted to introduce new bill to revise Farmers Home Administration laws. House passed State-Justice appropriation bill.

HOUSE

1. STATE-JUSTICE APPROPRIATION BILL, 1961. By a vote of 312 to 31, passed with an amendment this bill, H. R. 11666. pp. 7405-6
2. FARM LOANS. The Agriculture Committee voted to have the chairman introduce a clean bill in lieu of H. R. 7628, to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to Farmers Home Administration loans to farmers and ranchers. p. D306
3. LANDS; FORESTRY. The Agriculture Committee voted to report (but did not actually report) with amendment H. R. 9818, to provide for the conveyance of a tract of forest land to the State of Florida. p. D306
4. WATER COMPACT. The Interior and Insular Affairs Committee voted to report (but did not actually report) with amendment H. R. 10513, to grant the consent of Congress to Kan. and Nebr. to negotiate and enter into a compact relating to the apportionment of the waters of the Big Blue River and its tributaries. p. D307
5. MINERALS; LANDS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 8740, to provide for the leasing of oil and gas interests in certain U. S. lands in Texas. p. D307
6. FOREIGN AID. A subcommittee of the Banking and Currency Committee voted to report to the full committee H. R. 11001, to provide for the participation of the

U. S. in the International Development Association. p. D307

Received from ICA a letter in reply to a GAO report on the economic and technical assistance program for Guatemala. p. 7430

7. RYUKYU ISLANDS. The Armed Services Committee voted to report (but did not actually report) with amendment H. R. 1157, to provide for the promotion of economic and social development in the Ryukyu Islands. p. D306

SENATE

8. GRAPES AND PLUMS. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) with amendment S. 1857, to establish minimum quality requirements for the shipment of grapes and plums in foreign commerce. p. D305

9. TRANSPORTATION RATES. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) with amendment S. 2452, to establish a joint board and to permit the filing of through routes and joint rates for carriers serving Alaska, Hawaii, and other States. p. D305

ITEMS IN APPENDIX

10. FARM PROGRAM. Rep. Langen inserted the results of a questionnaire sent to the residents in one district in Minnesota in which 63% "of those replying indicated their favor with some type of controls and supports." pp. 3250-1
Rep. Wolf inserted a resolution adopted by the voting delegates to the Democratic Midwest Conference in which the delegates "express their approval of the principles, including its fair price and income objectives, of the comprehensive all-commodity bill, entitled the 'Family Farm Income Act of 1960.'" p. A3270
11. FOREIGN TRADE. Rep. Holifield inserted a speech by Eric Johnston calling attention to the "three trends which can greatly damage our American economy" all of which deal with our recent problems in international trade. pp. A3235-7
Rep. Lane inserted an article calling the trend of increasing imports "no idle threat," and pointing out the different ways further increases may hurt our domestic economy. pp. A3269-70
12. PUBLIC DEBT. Rep. Dague inserted two articles dealing with public debt. One which points out that the public debt, including accrued liabilities or future obligations, equals nearly \$750 billion, and the other which cautions against the concept of the Federal government as a "rich uncle." pp. A3244-5
13. INTEREST RATES. Rep. Lindsay inserted an article which urges elimination of the 4½% interest rate restriction on long-term Government securities. pp. A3270-1
14. AUTOMATION. Rep. Lesinski inserted the testimony of Mr. James Campbell, president of the American Federation of Government Employees, before a subcommittee of the Post Office and Civil Service Committee, which points up the problems created and the progress made by Federal agencies in office automation. pp. A3255-7
15. ELECTRIFICATION. Extension of remarks of Rep. Coad and insertion of an article regarding the controversy surrounding the construction by the Bureau of Reclamation of power transmission lines in Iowa. p. A3257

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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86th-2d, No. 71

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HIGHLIGHTS: House agreed to conference report on special milk bill. House debated independent offices appropriation bill.

HOUSE

1. SPECIAL MILK PROGRAM. Agreed to the conference report on H. R. 9331, the special milk bill (p. 7622). This bill will now be sent to the President. See Digest 69 for a summary of the provisions of the bill as agreed to by both Houses.
2. INDEPENDENT OFFICES APPROPRIATION BILL, 1961. Began debate on this bill, H. R. 11776 (pp. 7626-63). See Digest 70 for items of interest to this Department.
3. PERSONNEL; AGRICULTURAL ATTACHES. Passed over, at the request of Rep. Gross, H. R. 8074, to permit the assignment of agricultural attaches to positions in the U. S. for a maximum of 4 years without reduction in grade. p. 7610
4. FOOD ADDITIVES. Passed as reported H. R. 7847, to make the judicial review provisions of the Federal Aviation Act of 1958 and the Food Additives Amendment of 1958 subject to the uniform provisions of Public Law 85-791 relating to court review of Government agency orders. p. 7612
Passed over, at the request of Rep. McFall, H. R. 7480, to amend the Federal Food, Drug, and Cosmetic Act so as to provide that the term "chemical

preservatives" shall not apply to a pesticide chemical when used in or on a raw agricultural commodity produced from the soil, and to require that shipping containers for raw agricultural commodities be labeled to indicate by name or function the presence of any pesticide chemical that had been applied after harvest. p. 7615

5. PROPERTY. Passed without amendment H. R. 9983, to extend for two years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments. p. 7612
6. REPORTS. Passed as reported S. 899, to provide for the discontinuance of certain reports now required by law to be submitted to Congress, including several reports of this Department. pp. 7612-5
7. POSTAL SERVICE. Passed without amendment H. R. 10996, to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail. pp. 7619-20
8. LANDS; FORESTRY. The Agriculture Committee reported with amendment H. R. 9818, to provide for the conveyance of a tract of forest land to Florida (H. Rept. 1522). p. 7708
9. MINERALS; LANDS. The Agriculture Committee reported without amendment H. R. 8740, to provide for the leasing of oil and gas interests in certain U. S. lands in Texas (H. Rept. 1523). p. 7708
10. ATOMIC ENERGY; ELECTRIFICATION. The Joint Atomic Energy Committee reported without amendment H. R. 11713, to authorize appropriations for the Atomic Energy Commission, including reactor development, biology and medicine, co-operative power reactor demonstration program, and design and engineering studies for food irradiation and power reactor of steam-cooler type (H. Rept. 1525). p. 7708

SENATE

11. GRAPES AND PLUMS. The Interstate and Foreign Commerce Committee reported with amendments S. 1857, to establish minimum quality requirements for exported grapes and plums (S. Rept. 1274). p. 7538
12. ATOMIC ENERGY. The Joint Committee on Atomic Energy reported an original bill, S. 3387, to authorize appropriations for the Atomic Energy Commission (S. Rept. 1277). p. 7538
13. WILDLIFE. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) S. 1781, to provide for cooperative unit programs of research, education, and demonstration of fish and wildlife resources between the Federal Government, colleges and universities, the States and Territories, and private organizations. p. D316
Sen. Bartlett criticized the Secretary of the Interior for issuing regulations relating to fishing in Alaska which he could not have issued "prior to statehood" and which the Senator feels are discriminatory. pp. 7565-71
14. INTEREST RATE. Sen. Symington inserted an article dealing with the political implications in the success of the Treasury to sell a recent bond issue at below the interest-rate ceiling on long-term Government securities. p. 7557

PROMOTING FOREIGN TRADE OF UNITED STATES IN GRAPES AND PLUMS

APRIL 19, 1960.—Ordered to be printed

Mr. ENGLE, from the Committee on Interstate and Foreign Commerce,
submitted the following

R E P O R T

[To accompany S. 1857]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 1857) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

PURPOSE OF THE BILL

The purpose of this bill is to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce by providing for inspection of such products entering such commerce.

The bill makes it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, unless accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make rules, regulations, and orders necessary to carry out the provisions of the bill; and is also authorized, in his discretion, to permit the shipment of less than carload lots without complying with the provisions of the act. A reasonable fee is provided to cover the cost of the service. There are penalties provided for violation of the act.

The bill is intended to enhance the possibility of reestablishing the markets of Western Europe, particularly the United Kingdom, which were lost during World War II.

Public hearings were held by the full Committee on Interstate and Foreign Commerce.

COMMITTEE ACTION

The full Committee on Interstate and Foreign Commerce held hearings on the bill on April 12, 1960.

One witness from the Department of Agriculture appeared and testified. Also, a statement by the California Grape & Tree Fruit League and letters from the Department of Agriculture and the Interstate Commerce Commission were filed.

It is pointed out, in the statement filed by the California Grape & Tree Fruit League, that after 1938 no California fresh plums have been allowed to enter the United Kingdom; and grapes have been allowed to enter only in limited quantities since 1954. During this time the British importers have developed other sources of supply. On June 8, 1959, the United Kingdom liberalized the importation of these fruits and the California growers have an opportunity to regain their market. They urge the passage of this bill in order to protect the industry from the few who might try to ship inferior fruit and ruin this opportunity for the larger part of the industry.

They recommend amending the bill by striking the word "knowingly" from the last sentence of section 6 of the bill so that they would not have to prove knowledge in establishing a violation. They also recommend that Damson-type plums be excluded as well as Italian-type prunes. These two recommended amendments are also proposed by the Department of Agriculture.

The witness for the Department of Agriculture also recommended that the proviso which authorized the shipment to fulfill any contract made within 6 months prior to the date of such shipment be changed to 2 months. He also recommended that the maximum exemption not be set out in the law but be left to the rules and regulations of the Secretary. He also suggests that the Secretary be authorized to require such reports as he may deem necessary. The purpose of this change is to permit the Secretary to require shippers and carriers to make such reports as are necessary to administer the act properly.

The Department of Agriculture estimates that the cost to the Government to administer this act would be approximately \$7,500 per year.

It appears that there is no opposition to this bill from any source. The Interstate Commerce Commission, in their letter which was filed, recommends that the provisions of the act not be applicable to carriers under their jurisdiction; however, apparently no difficulty has arisen under a similar provision in the Export Apple and Pear Act that has been administered by the Department of Agriculture since 1933, and the Department of Agriculture states that it would be more difficult to administer without authority to hold the shippers liable.

It is your committee's opinion that the bill should be amended in the following particulars:

(1) By striking the word "Six" from line 19, page 2, and substituting therefor the word "two".

(2) By striking all of section 4 and substituting therefor the following:

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

(3) By striking from section 6, page 4, line 11, the word "knowingly".

(4) In line 15, page 4, section 7, by striking the word "orders" and adding therefor the following: "orders, and requiring such reports,".

(5) In line 5, page 6, by striking the word "prunes" and adding the following: "Prunes, nor Damson-type plums."

Your committee is of the opinion that S. 1857, with the above amendments should be enacted.

AGENCY COMMENTS

The Comptroller General of the United States, Department of Justice, Federal Trade Commission, General Services Administration, Department of State, government of the District of Columbia, U.S. Tariff Commission, and Civil Aeronautics Board offered no pertinent comments on S. 1857, since the legislation did not directly affect any of these agencies. The Interstate Commerce Commission, the Department of Agriculture, the Secretary of Commerce, and the Secretary of the Treasury have submitted the following report:

OCTOBER 7, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MAGNUSON: Your letter of May 6, 1959, addressed to the Chairman of the Commission, and requesting comments on a bill, S. 1857, introduced by Senator Engle (for himself and Senator Kuchel), to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes, has been referred to our Committee on Legislation. After consideration by that committee, I am authorized to submit the following comments in its behalf:

Section 1 of S. 1857 would make it unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, specified types of grapes or plums in packages, which are not accompanied by a certificate issued under authority of the Secretary of Agriculture showing that they are of a Federal or State grade which meets the minimum quality established by the Secretary for export shipment. The term "foreign commerce" is defined in section 9 of the bill as commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

Section 6 of the bill provides that any person or any common carrier or any transportation agency knowingly violating any of the provisions of the proposal would be liable to pay a fine of not less than \$100 nor

more than \$10,000. This provision carries with it the implication that any person or any common carrier or any transportation agency that does not know of the existence of this law could not be in violation thereof. In other words, a question arises as to whether this is tantamount to a statutory exemption for "ignorance of the law."

At the same time it should be pointed out that section 1 of the bill makes it unlawful for any person to ship, or for any carrier or any person to transport or receive for transportation to any foreign destination any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary of Agriculture. The bill does not state that such person or carrier must knowingly transport. Thus, a person or carrier may knowingly transport grapes or plums without the required certificate, and, under the provisions of section 6 of the bill, not be in violation of the law if he is unaware of the existence of such law.

As to the desirability of subjecting shippers to liability for violations of the proposed statute we express no opinion. We consider it undersirable, however, to extend liability to carriers subject to our jurisdiction, especially common carriers, since they could be presented with serious problems in their efforts to avoid any possible charge of violation. The effect is to place upon the carrier the obligation of determining whether someone else is violating the law; that is, the carrier is required to ascertain whether the shipment is accompanied by the certificate described in section 1 of the bill. Moreover, enactment of this measure as it now reads, would be expensive and burdensome to the carriers, and would slow down service to the public if the carriers are to protect themselves. It goes without saying that any resulting increase in expense to the carrier would probably be reflected in increased rates to the public.

Accordingly we recommend that the proposal be amended so as to make it expressly inapplicable to common and contract carriers conducting operations in the ordinary course of business.

The bill does not otherwise pertain to the functions of this Commission and for that reason we are unable to express a helpful opinion with respect to its merits.

Respectfully submitted.

KENNETH H. TUGGLE,
Chairman, Committee on Legislation.
ANTHONY ARPAIA.
HOWARD FREAS.

U.S. DEPARTMENT OF AGRICULTURE,
Washington, D.C., October 21, 1959.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate.

DEAR SENATOR MAGNUSON: This is in reply to your letter of May 5, 1959, in which you transmitted a copy of S. 1857 to this Department for comments concerning this proposed legislation.

This Department recommends that this bill be enacted.

The purpose of this bill is to promote foreign trade of the United States in grapes and plums, to promote the reputation of American-grown grapes and plums in foreign markets, to prevent deception or

misrepresentation as to the quality of such products moving in foreign commerce, and to provide for the commercial inspection of such products entering such commerce.

To accomplish these objectives this bill would make it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, except as provided in this bill, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, in packages which are not accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make such rules, regulations, and orders as may be necessary to carry out the provisions of this bill.

The bill would require the Secretary to provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendations with respect to any proposed standards of export or regulations prescribed by him for the purposes of this legislation. It would further require the Secretary to give reasonable notice, through one or more trade papers, of the effective date of standards of export established by him, provided that grapes or plums may be certified and shipped for export in fulfillment of any contracts made within 6 months prior to the date of shipment if the terms of such contracts were in accordance with the grades and regulations in effect at the time the contracts were made. The Secretary may, at his discretion, exempt shipments of grapes and plums in less than car-load lots as defined by him. The bill would require collection of a reasonable fee to cover the cost of services rendered in certifying products for export under it.

The bill would authorize the Secretary, after giving opportunity for hearing, to refuse the issuance of certificates under the legislation for periods not exceeding 90 days to any person who ships or offers for shipment any grapes and plums in violation. Any person, carrier, or transportation agency knowingly violating any provisions of this measure would be subject to a fine of not less than \$100 or more than \$10,000 by a court of competent jurisdiction.

It is noted in paragraph (5) of section 9 that Italian-type prunes are exempt from the bill. It is suggested that Damson-type plums also be exempt, as exports of Damson plums are confined to small shipments to Canada and are usually processed rather than eaten out of hand as are the European- and Japanese-type fresh plums.

This bill is practically identical in its purpose and provisions to the Export Apple and Pear Act of 1933 currently administered by this Department. In our considered opinion, it is essential that U.S. fruitgrowers and shippers export good quality fruit if they are to maintain or increase the present level of fresh fruit exports, in view of current expansion of fruit production not only in this country but in those countries competing with the United States in the world markets. The proposed legislation is designed to accomplish this and is therefore recommended by this Department.

In addition to the inspection services which would be covered by fees, the enactment of the proposed legislation would result in an estimated additional annual cost of approximately \$7,500 of appropriated funds for development, promulgation, and enforcement of the required export standards.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

MARVIN L. McLAIN,
Acting Secretary.

AUGUST 12, 1959.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request of May 6, 1959 for the views of the Department of Commerce with respect to S. 1857, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

This bill would authorize the Secretary of Agriculture to establish minimum quality and other standards for grapes and plums for export, to require inspection and certification of these products for export, and to collect a reasonable fee for such inspection and certification.

This Department supports the enactment of S. 1857. The establishment and enforcement of appropriate standards would facilitate and encourage foreign purchases of these U.S. products and thus contribute to a desirable expansion in U.S. exports. And, being patterned on practices already in use with respect to products sold domestically, this proposal would presumably involve relatively little administrative difficulty and cost to the trade which would probably be more than offset by the business advantages of selling officially graded and labeled goods.

The Bureau of the Budget has advised us that there would be no objection to the submission of this report to your committee.

Sincerely yours,

FREDERICK H. MUELLER,
Secretary of Commerce.

OFFICE OF THE SECRETARY OF THE TREASURY,
Washington, July 29, 1959.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of May 6, 1959, requesting the Department's comments concerning S. 1857, to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

It does not appear that the proposed legislation would impose any additional duties on the customs service in the administration of its provisions.

In general, this Department believes that it is undesirable to impose restrictions on the export of commodities for reasons other than those of health, sanitation, national security, and so forth. However, since the subject of the proposed legislation is not within an area of primary concern to the Treasury Department, it is not informed whether special reasons exist which warrant a departure from this principle and, accordingly, does not desire to comment on the merits of the bill.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

A. GILMORE FLUES,
Acting Secretary of the Treasury.

CHANGES IN EXISTING LAW

There is no change in existing law.



1. The first part of the document is a letter from the President of the United States to the Congress, dated January 1, 1861. It is a very important document, as it contains the President's message to the Congress at the beginning of his first term. The letter is written in a formal, dignified style, and it is one of the most important documents in American history.

2. The second part of the document is a report from the Secretary of the Treasury, dated January 1, 1861. It is a very important document, as it contains the Secretary's report to the Congress on the state of the Treasury at the beginning of his first term. The report is written in a formal, dignified style, and it is one of the most important documents in American history.

3. The third part of the document is a report from the Secretary of the Interior, dated January 1, 1861. It is a very important document, as it contains the Secretary's report to the Congress on the state of the Interior at the beginning of his first term. The report is written in a formal, dignified style, and it is one of the most important documents in American history.

4. The fourth part of the document is a report from the Secretary of the War, dated January 1, 1861. It is a very important document, as it contains the Secretary's report to the Congress on the state of the War at the beginning of his first term. The report is written in a formal, dignified style, and it is one of the most important documents in American history.

5. The fifth part of the document is a report from the Secretary of the Navy, dated January 1, 1861. It is a very important document, as it contains the Secretary's report to the Congress on the state of the Navy at the beginning of his first term. The report is written in a formal, dignified style, and it is one of the most important documents in American history.

Calendar No. 1307

86TH CONGRESS
2D SESSION

S. 1857

[Report No. 1274]

IN THE SENATE OF THE UNITED STATES

MAY 5, 1959

Mr. ENGLE (for himself and Mr. KUCHEL) introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

APRIL 19, 1960

Reported by Mr. ENGLE, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That it shall be unlawful for any person to ship or offer for
4 shipment or for any carrier, or any steamship company, or
5 any person to transport or receive for transportation to any

1 foreign destination, except as provided in this Act, any
2 grapes or plums in packages which are not accompanied by a
3 certificate issued under authority of the Secretary showing
4 that such grapes or plums are of a Federal or State grade
5 which meets the minimum of quality established by the Sec-
6 retary for shipment in export. The Secretary is authorized
7 to prescribe, by regulations, the requirements, other than
8 those of grades, which the fruit must meet before certificates
9 are issued. The Secretary shall provide opportunity, by
10 public hearing or otherwise, for interested persons to examine
11 and make recommendation with respect to any standard of
12 export proposed to be established or designated, or regulation
13 prescribed, by the Secretary for the purposes of this Act.

14 SEC. 2. The Secretary shall give reasonable notice
15 through one or more trade papers of the effective date of
16 standards of export established or designated by him under
17 this Act: *Provided*, That any grapes or plums may be cer-
18 tified and shipped for export in fulfillment of any contract
19 made within ~~six~~ two months prior to the date of such ship-
20 ment if the terms of such contract were in accordance with
21 the grades and regulations of the Secretary in effect at the
22 time the contract was made.

23 SEC. 3. Where the government of the country to which
24 the shipment is to be made has standards or requirements as
25 to condition of grapes and plums the Secretary may in addi-

tion to inspection and certification for compliance with the standards established or designated hereunder inspect and certify for determination as to compliance with the standards or requirements of such foreign government and may provide for special certificates in such cases.

SEC. 4. Grapes and plums in less than earload lots as defined by the Secretary may, in his discretion, be shipped to any foreign country without complying with the provisions of this Act.

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

SEC. 5. For inspecting and certifying the grade, quality, or condition of grapes or plums the Secretary shall cause to be collected a reasonable fee which shall, as nearly as may be, cover the cost of the service rendered: *Provided*, That when cooperative arrangements satisfactory to the Secretary, or his designated representative, for carrying out the purposes of this Act cannot be made the fees collected hereunder in such cases shall be available until expended to defray the cost of the service rendered, and in such cases the limitations on the amounts expended for the purchase and maintenance of motor-propelled passenger-carrying vehicles shall not be applicable: *Provided further*, That certificates

1 issued by the authorized agents of the United States Depart-
2 ment of Agriculture shall be received in all courts of the
3 United States as prima facie evidence of the truth of the
4 statements therein contained.

5 SEC. 6. After opportunity for hearing the Secretary is
6 authorized to refuse the issuance of certificates under this
7 Act for periods not exceeding ninety days to any person who
8 ships or offers for shipment any grapes or plums in foreign
9 commerce in violation of any of the provisions of this Act.
10 Any person or any common carrier or any transportation
11 agency ~~knowingly~~ violating any of the provisions of this
12 Act shall be fined not less than \$100 nor more than \$10,000
13 by a court of competent jurisdiction.

14 SEC. 7. The Secretary may make such rules, regulations,
15 and ~~orders~~ *orders, and require such reports*, as may be neces-
16 sary to carry out the provisions of this Act, and may cooper-
17 ate with any department or agency of the Government, any
18 State, Territory, District, or possession, or department,
19 agency, or political subdivision thereof, or any person,
20 whether operating in one or more jurisdictions; and shall
21 have the power to appoint, remove, and fix the compensation
22 of such officers and employees not in conflict with existing
23 law, and make such expenditures for rent outside the District
24 of Columbia, printing, binding, telegrams, telephones, law
25 books, books of reference, publications, furniture, stationery,

1 office equipment, travel, and other supplies and expenses
2 including reporting services, as shall be necessary to the
3 administration of this Act in the District of Columbia and
4 elsewhere, and as may be appropriated for by Congress.
5 This Act shall not abrogate nor nullify any other statute,
6 whether State or Federal, dealing with the same subjects
7 as this Act; but it is intended that all such statutes shall
8 remain in full force and effect except insofar as they are
9 inconsistent herewith or repugnant hereto.

10 SEC. 8. If any provision of the Act or the application
11 thereof to any person or circumstances is held invalid, the
12 validity of the remainder of the Act and of the application
13 of such provision to other persons and circumstances shall
14 not be affected thereby.

15 SEC. 9. That when used in this Act—

16 (1) The term “person” includes individuals, partner-
17 ships, corporations, and associations.

18 (2) The term “Secretary” means the Secretary of
19 Agriculture.

20 (3) Except as provided herein, the term “foreign com-
21 merce” means commerce between any State, or the District
22 of Columbia, and any place outside of the United States or
23 its possessions.

24 (4) The term “grapes” means vinifera species table

1 grapes, European type, whether or not they have been in
2 storage.

3 (5) The term "plums" means both European and Japa-
4 nese type, whether or not they have been in storage, but
5 does not mean Italian-type ~~prunes~~ *prunes*, nor *damson-type*
6 *plums*.

A BILL

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

By Mr. ENGLE and Mr. KUCHEL

MAY 5, 1959

Read twice and referred to the Committee on
Interstate and Foreign Commerce

APRIL 19, 1960

Reported with amendments

May 4, 1960

SENATE

10. COMMERCE APPROPRIATION BILL FOR 1961. Receded from its amendment to this bill, H. R. 10234, to prohibit free or reduced-rate transportation of Federal employees by American vessels. The conference report was agreed to May 3 (see Digest No. 80). This bill will now be sent to the President. pp. 8699-704
11. TAMPICO-FIBER IMPORTS. Passed without amendment H. R. 9861, to continue for a temporary period the existing suspension of duty on certain istle and tampico fibers. This bill will now be sent to the President. p. 8712
12. TRANSPORTATION. Passed as reported S. 2452, to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates. pp. 8712-7
13. GRAPES AND PLUMS. Passed as reported S. 1857, to establish minimum standards on grapes and plums in foreign commerce. pp. 8717-8.
14. FISH AND WILDLIFE. Passed as reported S. 1781, to continue the authority, now contained in appropriation acts, of the Secretary of the Interior to enter into cooperative agreements with colleges and universities, game and fish departments of the States and territories, and with nonprofit organizations relating to cooperative research units. pp. 8721-2
15. PLANT PATENTS. Passed without amendment S. 1447, to eliminate the exclusion of tuber propagated plants from being patented. Following passage, Sen. Frear inserted a report containing this Department's reasons for not favoring the bill. pp. 8711-2
16. FOREIGN TRADE; SURPLUS COMMODITIES. Sens. Schoeppel and Cooper commended the new agreement between the United States and India, negotiated under title I, Public Law 480, which provides for sizeable increased food supply for India and stockpiling of wheat and rice as a buffer against famine. pp. 8684, 8723-4
Sen. Schoeppel commended the use of surplus agricultural commodities for expansion of world trade. p. 8684
17. FARM PROGRAM. Sen. Carlson inserted a resolution adopted by a Kans. Farmers Union local petitioning Congress for certain changes in the present wheat program. p. 8675
18. NATIONAL PARKS. Sen. Moss submitted an amendment, in the nature of a substitute, intended to be proposed by him, to S. 2894, to authorize the Secretary of the Interior to establish the Great Salt Lake National Park, Utah. p. 8678
19. CONSERVATION. Sen. Murray praised the work being done by the Montana Conservation Council, and inserted an article on the benefits from teaching school children to understand and appreciate the value of conservation. pp. 8685-6
20. TRADE FAIR. Sens. Keating and Javits discussed the New York World Trade Fair, inserted a speech by Sen. Javits and articles on this subject, and expressed the hope that the fair would serve to stimulate America's export trade. pp. 8691-3
21. PATENT POLICIES. Sen. Long discussed patent policy and inserted a table, "300 companies and institutions receiving largest amounts of military research and development contracts in the fiscal years 1954-56." pp. 8704-6

22. EXPENDITURES. Sen. Gruening criticized what he called the administration's "double standard" on spending. p. 8707
23. BUILDINGS; WATERSHEDS. Sen. Chavez inserted a list of building projects approved by the Public Works Committee, under the Public Buildings Act of 1959 and a list of watershed projects approved under the Watershed Protection and Flood Prevention Act. pp. 8707-9
24. BUDGET. Sen. Williams, Del., inserted an article by Sen. Butler giving the results of a "Battle of the Budget" questionnaire which he mailed to 5,000 people in which 90% favored a reduced budget and of those favoring a reduced budget 84% favored reductions in agricultural price supports, 41% favored reductions in natural resources spending, and 37% favored reductions in Government expenses. p. 8710
25. AREA REDEVELOPMENT. Sen. Byrd, W. Va., criticized the President for vetoing last year's Senate and House passed area redevelopment bill and calling for legislation on area development in his recent speech. pp. 8726-7
26. FARM CREDIT. The Agriculture and Forestry Committee favorably reported the nominations of Lester Clyde Carter, Ark., and Robert T. Lister, Ore., to be members of the Federal Farm Credit Board, Farm Credit Administration. p. 8734
27. LANDS; FARM CREDIT. The Agriculture and Forestry Committee voted to report (but did not actually report) S. 3070, to remove the restrictions on use with respect to certain lands in Morton County, N. Dak., H. R. 9818, to convey certain real property of the U. S. to the State of Florida, and S. 2977, to amend the Farm Credit Act of 1933 to provide for increased representation by regional banks for cooperatives on the Board of Directors of the Central Bank for cooperatives.
The Committee also approved the following watershed projects: Brush Creek, W. Va.; Huff Creek, S. C.; Tortugas Arroyo, N. Mex.; Vineland Area., Colo.; and White Clay, Brewery, and Whiskey Creeks, Kans. p. D374
The Public Lands Subcommittee of the Interior and Insular Affairs Committee reported to the full committee with amendments S. 1401, to authorize an extension of time for final proof of qualifications of certain entrymen under the desert land laws. p. D375
28. FEED AND SEED. The Agriculture and Forestry Committee defeated, by a vote of 8 to 8, a motion to report H. R. 6861, to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas. p. D374
29. FORESTRY; MULTIPLE USE. The Agriculture and Forestry Committee considered, but took no final action on, S. 3044, directing that the national forests be managed under plans of multiple use. p. D374
30. LEGISLATIVE PROGRAM. Sen. Johnson stated that on Thurs., May 5, and Fri., May 6, the Senate expects to consider the following: H. R. 9862, relating to duties on certain shoe lathes and containing an amendment to extend the suspension of the import duty on casein until June 30, 1963; H. R. 10550, to extend the Export Control Act of 1949 for 2 additional years; S. 2575, to provide a health benefits program for certain retired employees of the Government; H. R. 8241, to amend certain provisions of the Civil Service Retirement Act relating to the reemployment of former Members of Congress; and H. R. 8289, to accelerate the commencing date of civil service retirement annuities. pp. 8733-4

questions involving two or more modes of transportation, but not all of them, the deciding vote could be cast by a representative of the agency having no real interest in the subject matter. For example, in a joint motor-water-rail situation, with no air movement involved, the CAB representative could cast the deciding vote. Likewise, in proposed joint operations between air and motor or rail, but with no water movement involved, the deciding vote might be those of the Maritime Board representative."

The statement that under the terms of S. 2452 the deciding vote could be cast by a representative of the regulatory agency having "no real interest in the subject matter" in the case of disagreement on important questions involving two or more modes of transportation seems to miss entirely the point of establishing the joint board. It is the view of your committee and its purpose in recommending enactment of S. 2452 that all members of the joint board have a "real interest" in the subject matter. Favoring of one form of transportation against another because of membership on a certain regulatory agency is not contemplated by the terms of the legislation. The matters that come before the joint board should be decided strictly in accordance with the statute and with regard to the public interest which the statute would be enacted to protect. The committee has confidence that joint board members will adhere strictly to such standards if legislation embodied in S. 2452 is enacted into law.

PROMOTION OF FOREIGN TRADE IN GRAPES AND PLUMS

Mr. FREAR. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1307, S. 1857.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1857) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1857) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 19, after the word "within", to strike out "six" and insert "two"; on page 3, after line 5, to strike out:

SEC. 4. Grapes and plums in less than carload lots as defined by the Secretary may, in his discretion, be shipped to any foreign country without complying with the provisions of this Act.

And, in lieu thereof, to insert:

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

On page 4, line 11, after the word "agency", to strike out "knowingly"; in line 15, after the word "and", to strike out "orders" and insert "orders, and require such reports,"; and on page 6, line

5, after the words "Italian-type", to strike out "prunes" and insert "prunes, nor damson-type plums"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, except as provided in this Act, any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary showing that such grapes or plums are of a Federal or State grade which meets the minimum of quality established by the Secretary for shipment in export. The Secretary is authorized to prescribe, by regulations, the requirements, other than those of grades, which the fruit must meet before certificates are issued. The Secretary shall provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendation with respect to any standard of export proposed to be established or designated, or regulation prescribed, by the Secretary for the purposes of this Act.

SEC. 2. The Secretary shall give reasonable notice through one or more trade papers of the effective date of standards of export established or designated by him under this Act: *Provided*, That any grapes or plums may be certified and shipped for export in fulfillment of any contract made within two months prior to the date of such shipment if the terms of such contract were in accordance with the grades and regulations of the Secretary in effect at the time the contract was made.

SEC. 3. Where the government of the country to which the shipment is to be made has standards or requirements as to condition of grapes and plums the Secretary may in addition to inspection and certification for compliance with the standards established or designated hereunder inspect and certify for determination as to compliance with the standards or requirements of such foreign government and may provide for special certificates in such cases.

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

SEC. 5. For inspecting and certifying the grade, quality, or condition of grapes or plums the Secretary shall cause to be collected a reasonable fee which shall, as nearly as may be, cover the cost of the service rendered: *Provided*, That when cooperative arrangements satisfactory to the Secretary, or his designated representative, for carrying out the purposes of this Act cannot be made the fees collected hereunder in such cases shall be available until expended to defray the cost of the service rendered, and in such cases the limitations on the amounts expended for the purchase and maintenance of motor-propelled passenger-carrying vehicles shall not be applicable: *Provided further*, That certificates issued by the authorized agents of the United States Department of Agriculture shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained.

SEC. 6. After opportunity for hearing the Secretary is authorized to refuse the issuance of certificates under this Act for periods not exceeding ninety days to any person who ships or offers for shipment any grapes or plums in foreign commerce in violation of any of the provisions of this Act. Any person or any common carrier or any transportation agency violating any of the provisions of this Act shall be fined not less than \$100

nor more than \$10,000 by a court of competent jurisdiction.

SEC. 7. The Secretary may make such rules, regulations, and orders, and require such reports, as may be necessary to carry out the provisions of this Act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, whether operating in one or more jurisdictions; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses including reporting services, as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and as may be appropriated for by Congress. This Act shall not abrogate nor nullify any other statute, whether State or Federal, dealing with the same subjects as this Act; but it is intended that all such statutes shall remain in full force and effect except insofar as they are inconsistent herewith or repugnant hereto.

SEC. 8. If any provision of the Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 9. That when used in this Act—

(1) The term "person" includes individuals, partnerships, corporations, and associations.

(2) The term "Secretary" means the Secretary of Agriculture.

(3) Except as provided herein, the term "foreign commerce" means commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

(4) The term "grapes" means vinifera species table grapes, European type, whether or not they have been in storage.

(5) The term "plums" means both European and Japanese type, whether or not they have been in storage, but does not mean Italian-type prunes, nor damson-type plums.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FREAR. Mr. President, I ask unanimous consent that there be printed in the RECORD in connection with this bill a short statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill is to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce by providing for inspection of such products entering such commerce.

The bill makes it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, unless accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make rules, regulations, and orders necessary to carry out the provisions of the bill; and is also authorized, in his discretion, to permit the shipment of less than

carload lots without complying with the provisions of the act. A reasonable fee is provided to cover the cost of the service. There are penalties provided for violation of the act.

The bill is intended to enhance the possibility of reestablishing the markets of Western Europe, particularly the United Kingdom, which were lost during World War II.

Public hearings were held by the full Committee on Interstate and Foreign Commerce.

COMMITTEE ACTION

The full Committee on Interstate and Foreign Commerce held hearings on the bill on April 12, 1960.

One witness from the Department of Agriculture appeared and testified. Also, a statement by the California Grape & Tree Fruit League and letters from the Department of Agriculture and the Interstate Commerce Commission were filed.

It is pointed out, in the statement filed by the California Grape & Tree Fruit League, that after 1938 no California fresh plums have been allowed to enter the United Kingdom; and grapes have been allowed to enter only in limited quantities since 1954. During this time the British importers have developed other sources of supply. On June 8, 1959, the United Kingdom liberalized the importation of these fruits and the California growers have an opportunity to regain their market. They urge the passage of this bill in order to protect the industry from the few who might try to ship inferior fruit and ruin this opportunity for the larger part of the industry.

They recommend amending the bill by striking the word "knowingly" from the last sentence of section 6 of the bill so that they would not have to prove knowledge in establishing a violation. They also recommend that Damson-type plums be excluded as well as Italian-type prunes. These two recommended amendments are also proposed by the Department of Agriculture.

The witness for the Department of Agriculture also recommended that the proviso which authorized the shipment to fulfill any contract made within 6 months prior to the date of such shipment be changed to 2 months. He also recommended that the maximum exemption not be set out in the law but be left to the rules and regulations of the Secretary. He also suggests that the Secretary be authorized to require such reports as he may deem necessary. The purpose of this change is to permit the Secretary to require shippers and carriers to make such reports as are necessary to administer the act properly.

The Department of Agriculture estimates that the cost to the Government to administer this act would be approximately \$7,500 per year.

It appears that there is no opposition to this bill from any source. The Interstate Commerce Commission, in their letter which was filed, recommends that the provisions of the act not be applicable to carriers under their jurisdiction; however, apparently no difficulty has arisen under a similar provision in the Export Apple and Pear Act that has been administered by the Department of Agriculture since 1933, and the Department of Agriculture states that it would be more difficult to administer without authority to hold the shippers liable.

The CHIEF CLERK. A bill (H.R. 6482) relating to the credits against the unemployment tax in the case of merged corporations.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 6482) relating to the credits against the unemployment tax in the case of merged corporations, which had been reported from the Committee on Finance, with an amendment, on page 1, after line 6, to strike out:

(d) SUCCESSOR EMPLOYER.—Subject to the limits provided by subsection (a), if—

(1) a corporation (hereinafter referred to as the successor) acquires properties of one or more other corporations (each of which is hereinafter referred to as the predecessor) in connection with a statutory merger or consolidation of the corporations (within the meaning of section 368(a)(1)(A)), and

(2) the predecessor is not an employer for the calendar year in which such merger or consolidation took place,

then, for the calendar year in which such merger or consolidation took place, in addition to the credits allowed under subsections (a) and (b), the successor may credit against the tax imposed by section 3301 for such year the credits which (without regard to subsection (c)) would have been allowable to the predecessor under subsections (a) and (b) and this subsection for such year if the predecessor had been an employer.

And, in lieu thereof, to insert:

(d) SUCCESSOR EMPLOYER.—Subject to the limits provided by subsection (c), if—

(1) an employer acquires during any calendar year substantially all the property used in a trade or business of another person, or used in a separate unit of a trade or business of such other person, and immediately after the acquisition employs in his trade or business one or more individuals who immediately prior to the acquisition were employed in the trade or business of such other person, and

(2) such other person is not an employer for the calendar year in which the acquisition takes place,

then, for the calendar year in which the acquisition takes place, in addition to the credits allowed under subsections (a) and (b), such employer may credit against the tax imposed by section 3301 for such year an amount equal to the credits which (without regard to subsection (c)) would have been allowable to such other person under subsections (a) and (b) and this subsection for such year, if such other person had been an employer, with respect to remuneration subject to contributions under the unemployment compensation law of a State paid by such other person to the individual or individuals described in paragraph (1).

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act relating to the credits against the unemployment tax in the case of certain successor employers."

Mr. FREAR. Mr. President, I ask unanimous consent that there be printed in the RECORD in connection with this bill a short statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The Federal unemployment tax of 3 percent of the first \$3,000 of each employee's wages is levied on a calendar year basis upon employers who have four or more employees in each of 20 weeks during the calendar year. Section 3302 of the Internal Revenue Code grants a credit against the Federal unemployment tax for contributions to State unemployment funds and an additional credit for reduction in such contributions under the experience rating laws of the States. The total credit is 90 percent of the Federal tax.

Since 1950, wages paid by a predecessor employer are deemed to be paid by its successor with respect to the calendar year in which the successor succeeded to the business. Ordinarily this entitled the successor to a credit against its Federal unemployment tax for State unemployment taxes paid by its predecessor or to the additional credit allowable to the predecessor. However, the 1950 amendment made no provision for allowing the 90-percent credit to the successor where the predecessor is regarded as employer for State unemployment tax purposes but not for Federal unemployment tax purposes. This comes about where the State has eliminated the 20-week requirement in its definition of employer for unemployment tax purposes and a merger, for example, occurs within the first 20 weeks of a calendar year. There are situations where the predecessor is required to pay a State unemployment tax for which no credit is allowed to anyone. This problem could arise in one of the 19 States which has abandoned the 20-week test in the definition of employer, or in one of the 27 States which has retained the 20-week test, but which alternatively determines liability for unemployment tax on the basis of employment experience in the current or preceding year. Those States are listed as follows:

States which do not have a 20-week requirement in defining employer for unemployment tax purposes:

Alaska, Arkansas, California, Connecticut, District of Columbia, Hawaii, Idaho, Maryland, Massachusetts, Nevada, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Utah, Washington, Wyoming.

States which have retained the 20-week test in defining employer for unemployment tax purposes, but which alternatively base liability for tax on the status as employer in the preceding year:

Alabama, Arizona, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Wisconsin.

Where there is required to be paid into the State unemployment fund an amount which is not covered by the 90 percent credit, the employer is unjustly taxed by the Federal Government. The bill as passed by the House corrects this situation where there has been a statutory merger or consolidation of corporations in the first 20 weeks of a calendar year after 1950. However, the House bill did not take care of similar situations involving unincorporated businesses.

COMMITTEE AMENDMENT

Your committee approves the House bill but feels that the provision should apply to unincorporated businesses as well as corporations. Consequently, the committee offers an amendment which provides that where any employer acquires substantially all the property used in the trade or business, or in a separate unit of a trade or business, of

CREDITS AGAINST THE UNEMPLOYMENT TAX OF MERGED CORPORATIONS

Mr. FREAR. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1309, H.R. 6482.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

86TH CONGRESS
2D SESSION

S. 1857

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1960

Referred to the Committee on Agriculture

AN ACT

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That it shall be unlawful for any person to ship or offer for
4 shipment or for any carrier, or any steamship company, or
5 any person to transport or receive for transportation to any
6 foreign destination, except as provided in this Act, any
7 grapes or plums in packages which are not accompanied by a

1 certificate issued under authority of the Secretary showing
2 that such grapes or plums are of a Federal or State grade
3 which meets the minimum of quality established by the Sec-
4 retary for shipment in export. The Secretary is authorized
5 to prescribe, by regulations, the requirements, other than
6 those of grades, which the fruit must meet before certificates
7 are issued. The Secretary shall provide opportunity, by
8 public hearing or otherwise, for interested persons to examine
9 and make recommendation with respect to any standard of
10 export proposed to be established or designated, or regula-
11 tion prescribed, by the Secretary for the purposes of this Act.

12 SEC. 2. The Secretary shall give reasonable notice
13 through one or more trade papers of the effective date of
14 standards of export established or designated by him under
15 this Act: *Provided*, That any grapes or plums may be cer-
16 tified and shipped for export in fulfillment of any contract
17 made within two months prior to the date of such ship-
18 ment if the terms of such contract were in accordance with
19 the grades and regulations of the Secretary in effect at the
20 time the contract was made.

21 SEC. 3. Where the government of the country to which
22 the shipment is to be made has standards or requirements as
23 to condition of grapes and plums the Secretary may in addi-
24 tion to inspection and certification for compliance with the
25 standards established or designated hereunder inspect and

1 certify for determination as to compliance with the standards
2 or requirements of such foreign government and may provide
3 for special certificates in such cases.

4 SEC. 4. The Secretary may, by regulation, exempt from
5 compliance with the provisions of this Act the shipment of
6 such minimum quantities of grapes and plums to any foreign
7 country as he may prescribe.

8 SEC. 5. For inspecting and certifying the grade, quality,
9 or condition of grapes or plums the Secretary shall cause
10 to be collected a reasonable fee which shall, as nearly as
11 may be, cover the cost of the service rendered: *Provided*,
12 That when cooperative arrangements satisfactory to the Sec-
13 retary, or his designated representative, for carrying out the
14 purposes of this Act cannot be made the fees collected here-
15 under in such cases shall be available until expended to
16 defray the cost of the service rendered, and in such cases the
17 limitations on the amounts expended for the purchase and
18 maintenance of motor-propelled passenger-carrying vehicles
19 shall not be applicable: *Provided further*, That certificates
20 issued by the authorized agents of the United States Depart-
21 ment of Agriculture shall be received in all courts of the
22 United States as prima facie evidence of the truth of the
23 statements therein contained.

24 SEC. 6. After opportunity for hearing the Secretary is
25 authorized to refuse the issuance of certificates under this

1 Act for periods not exceeding ninety days to any person who
2 ships or offers for shipment any grapes or plums in foreign
3 commerce in violation of any of the provisions of this Act.
4 Any person or any common carrier or any transportation
5 agency violating any of the provisions of this Act shall be
6 fined not less than \$100 nor more than \$10,000 by a court
7 of competent jurisdiction.

8 SEC. 7. The Secretary may make such rules, regulations,
9 and orders, and require such reports, as may be neces-
10 sary to carry out the provisions of this Act, and may cooper-
11 ate with any department or agency of the Government, any
12 State, Territory, District, or possession, or department,
13 agency, or political subdivision thereof, or any person,
14 whether operating in one or more jurisdictions; and shall
15 have the power to appoint, remove, and fix the compensation
16 of such officers and employees not in conflict with existing
17 law, and make such expenditures for rent outside the District
18 of Columbia, printing, binding, telegrams, telephones, law
19 books, books of reference, publications, furniture, stationery,
20 office equipment, travel, and other supplies and expenses
21 including reporting services, as shall be necessary to the
22 administration of this Act in the District of Columbia and
23 elsewhere, and as may be appropriated for by Congress.

1 This Act shall not abrogate nor nullify any other statute,
2 whether State or Federal, dealing with the same subjects
3 as this Act; but it is intended that all such statutes shall
4 remain in full force and effect except insofar as they are
5 inconsistent herewith or repugnant hereto.

6 SEC. 8. If any provision of the Act or the application
7 thereof to any person or circumstances is held invalid, the
8 validity of the remainder of the Act and of the application
9 of such provision to other persons and circumstances shall
10 not be affected thereby.

11 SEC. 9. That when used in this Act—

12 (1) The term “person” includes individuals, partner-
13 ships, corporations, and associations.

14 (2) The term “Secretary” means the Secretary of
15 Agriculture.

16 (3) Except as provided herein, the term “foreign com-
17 merce” means commerce between any State, or the District
18 of Columbia, and any place outside of the United States or
19 its possessions.

20 (4) The term “grapes” means vinifera species table
21 grapes, European type, whether or not they have been in
22 storage.

23 (5) The term “plums” means both European and Japa-

- 1 nese type, whether or not they have been in storage, but
- 2 does not mean Italian-type prunes, nor damson-type plums.

Passed the Senate May 4, 1960.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

MAY 6, 1960

Referred to the Committee on Agriculture

HOUSE

July 1, 1960

The Agriculture Committee voted to report (but did not actually report):
the following bills: D 650

- ~~H. R. 12360 (amended), authorizing the Secretary of Agriculture to convey certain lands to Auburn University, Auburn, Ala.;~~
- ~~S. 2772, to authorize the Secretary of Agriculture to convey land in the town of Cascade, El Paso County, Colorado;~~
- ~~S. 3665, to authorize the Secretary of Agriculture to grant an easement over certain lands to the trustees of the Cincinnati Southern Railway, their successors and assigns;~~
- ~~S. 3070, to provide for the removal of restriction on use with respect to certain lands in Morton County, North Dakota, conveyed to the State of North Dakota on July 20, 1955;~~
- ~~S. 2919, to provide that the Secretary of the Smithsonian Institution shall study and investigate the desirability and feasibility of establishing and maintaining a national tropical botanic garden;~~
- ~~S. 1857, to establish minimum standards for the exportation of grapes and plums.~~

20. WATERSHEDS. The Public Works Committee approved watershed projects for Big Prairie and French Creeks, Ala.; Mill Run, Penn.; and Town Fork Creek, N. C. p. 14308
The "Daily Digest" states that the Agriculture Committee approved a watershed project in Texas and one in Indiana. p. D650
21. PROPERTY IMPORTS. By a vote of 124 to 61, agreed to a motion by Rep. Flynt to strike out the enacting clause on H. R. 9996, to amend the Federal Property and Administrative Services Act of 1949 so as to prescribe procedures to insure that foreign excess property which is disposed of overseas will not be imported into the U. S. to the injury of the economy of this country. This action has the effect of killing the bill. pp. 14323-37
22. FLOOD CONTROL. The Public Works Committee reported with amendment H. R. 2185, to authorize modification of local participation in flood control projects in depressed areas (H. Rept. 2067). p. 14374
23. RECREATION. Passed as reported H. R. 900, to provide that 75% of all moneys derived by the U. S. from certain recreation activities in connection with lands acquired for flood control and other purposes shall be paid to the State. p. 14349
24. GOVERNMENT ORGANIZATION. Rep. Lindsay inserted a speech by Gov. Rockefeller which includes the Governor's recommendations as to reorganization in the executive branch. pp. 14359-62
25. DEPRESSED AREAS; INDUSTRIAL LOANS. Rep. Flood urged consideration of a bill to "allow banks and lending institutions to rediscount their industrial mortgages with the Federal Government following generally the same pattern as Fannie Mae mortgages" and the establishment of an Area Redevelopment Administration which he says would be of assistance to a self-help program for depressed area re-development. pp. 14367-72
26. COCONUT MEAT. Both Houses received and the Senate adopted the conference report on H. R. 11748, to continue until the close of June 30, 1961, the suspension of duties on metal scrap, which as amended by the Senate creates a specific tariff classification for certain imported coconut meat (H. Rept. 2074). pp. 14340, 14376

11. TRANSPORTATION. Both Houses agreed to the conference report on H. R. 11135, to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; etc. This bill will now be sent to the President. pp. 14300-1, 14337
12. FLOOD CONTROL. Both Houses agreed to the conference report on H. R. 7634, the omnibus flood control and rivers and harbors bill, and acted on amendments in disagreement. This bill will now be sent to the President. pp. 14405-9, 14312-20
13. COLOR ADDITIVES. Sen. Javits inserted the conclusions and recommendations of a study issued by the White House on the use of color additives in food, and his motion was tabled to reconsider the vote by which S.2197, to regulate the use of color additives in food, was passed. pp. 14301-2
14. RECLAMATION. Passed as reported S. 2195, to authorize the Secretary of the Interior to construct the western division of the Dalles Federal reclamation project, Ore. pp. 14419-20
15. SMALL BUSINESS. Passed with amendments H. R. 11207, to authorize additional funds for small-business loans and to encourage additional use of small business by Government contracting agencies. pp. 14424-7
16. PUBLIC HEALTH. Passed as reported H. R. 6871, to amend the Public Health Service Act so as to authorize project grants for graduate training in public health. pp. 14376-7
17. CONTRACTS; PURCHASING. Sen. Douglas criticized purchasing policies of Government agencies, particularly the purchase of supplies by agencies when surplus supplies were already available in the Government, and inserted several items on this matter. pp. 14231-6

HOUSE

18. FOREST ROADS. Received the conference report on H. R. 10495, authorizing appropriations for highway construction for fiscal 1962 and 1963, including forest highways and forest development roads and trails (pp. 14338-9). As reported by the conferees the bill authorizes \$33,000,000 for forest highways for each of the fiscal years 1962 and 1963, and \$35,000,000 and \$40,000,000 for the fiscal years 1962 and 1963, respectively, for forest development roads and trails, and authorizes an additional \$500,000 for construction of road on forest land in Ga. (H. Rept. 2080)
19. CROP INSURANCE; LANDS; CONSERVATION. The Agriculture Committee voted to report (but did not actually report) the following bills: p. D650
 - H. R. 5743, to amend the Federal Crop Insurance Act to permit inclusion of administrative costs in insurance premiums;
 - H. R. 10784 (amended), to provide that the payment for the lands covered by the Act of September 9, 1959 (Keosauqua lands), may be made on a deferred basis;
 - H. R. 11917 (amended), to authorize the Secretary of Agriculture to convey certain lands in Lassen County, California, to the city of Susanville, California;
 - H. R. 12849 (amended), to protect farm and ranch operators making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments;

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of August 13, 1960
86th-2d, No. 136

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HIGHLIGHTS: Senate passed minimum wage bill. Sen. Johnson announced bill to increase price support level for milk and butterfat to be considered today, Aug. 19.

SENATE

1. LABOR STANDARDS. By a vote of 62 to 34, passed with amendments H. R. 12677, to amend the Fair Labor Standards Act of 1938 so as to increase the minimum wage to \$1.25 and to increase the coverage of persons under the Act, after substituting the language of a similar bill, S. 3758, as amended. Further consideration of S. 3758 was indefinitely postponed. Senate conferees were appointed. pp. 15479-515, 15516-32, 15536-9

By a vote of 87 to 8, agreed to an amendment by Sen. Anderson, as modified by an amendment by Sen. Allott, to exempt from the Act any employee employed by an establishment engaged in the business of selling automobiles or trucks, or farm implements, more than 50 percent of which establishment's annual sales is made within the State in which located and not less than 75 percent of annual sales is not for resale and is recognized as retail sales or services in the automotive industry. pp. 15506-11

By a vote of 50 to 46, agreed to an amendment by Sen. Cooper to strike out a provision of the bill which would have provided that employees engaged in canning and processing and certain other activities on agricultural commodities shall have 20 weeks overtime exemption each year (10 weeks limited to 12 hours a day or 56 hours a week, plus 10 weeks unlimited overtime exemption) instead of the present 28 exempt overtime weeks each year. pp. 15521-23

By a vote of 41 to 56, rejected an amendment by Sen. Prouty, in the nature of a substitute for the pending bill, which would have raised the minimum wage to \$1.10 an hour instead of the proposed \$1.25 an hour, and would have extended coverage of the Act to approximately 4 million additional persons instead of approximately 5 million additional persons. pp. 15479-92

Sen. Stennis submitted, but later withdrew, a proposed amendment which would have defined the words "area of production" so as to exempt certain employees engaged in the first processing of certain agricultural commodities. pp. 15520-21

2. CIVIL DEFENSE. Sen. Young, O., criticized the civil defense program, calling it "nothing more than a futile gesture to fool ourselves and American taxpayers into thinking that something is being done to defend our civilians," and stating that civil defense "is a part of the total defense of our country" and "must be placed in the hands of and be the responsibility of the Armed Forces." pp. 15464-5
3. PUBLIC LANDS; MINERALS. H. R. 8860, "to stabilize the mining of lead and zinc by small domestic producers on public, Indian, and other land" was made the unfinished business of the Senate. p. 15533
4. SOIL CONSERVATION. Sen. Morse discussed and commended the work of the soil conservation district employees in his State, and inserted an article, "The Meaning of Conservation" which "sets forth the philosophy of soil conservation." pp. 15539-40
Sen. Morse paid tribute to Hugh Bennett, former administrator of SCS, calling him "a great public servant who ranks in our national roster with the other heroes of national resource conservation and protection." p. 15540
5. WATER POLLUTION. Sen. Morse discussed and inserted an article, "Water Pollution: A National Disgrace" in which the author warns "the startling truth is that the hour is rapidly approaching when the Nation's water utilities may be unable to supply enough pure water for our expanding population." pp. 15543-5
6. FORESTRY. The Public Works Committee reported without amendment H. R. 9377, to provide for the protection of forest cover for reservoir areas under the jurisdiction of the Secretary of the Army (S. Rept. 1842). p. 15459
7. LANDS; RECREATION. The Public Works Committee reported without amendment H. R. 900, to provide that 75 percent of all moneys derived by the U. S. from certain recreation activities in connection with lands acquired for flood control and other purposes shall be paid to the States (S. Rept. 1840). p. 15459
8. LEGISLATIVE PROGRAM. Sen. Johnson announced that the following bills will be considered today, Aug. 19: S. 2917, to increase the price support level for milk and butterfat; H. R. 5068, to provide for licensing independent foreign freight forwarders; S. 2855, increased authorizations for President's mutual security contingency fund; S. 3861, providing for assistance in the development of Latin America and reconstruction in Chile; and H. R. 8860, to stabilize the mining of lead and zinc by small producers on public lands. p. 15533

HOUSE

9. GRAPES AND PLUMS; FOREIGN TRADE. The Agriculture Committee reported without amendment S. 1857, to establish minimum standards on grapes and plums in foreign commerce (H. Rept. 2107). p. 15552
10. ACREAGE ALLOTMENTS; SOIL BANK. The Agriculture Committee reported with amendment H. R. 12849, to protect farm and ranch operators making certain land-use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments (H. Rept. 2109). p. 15552

PROMOTING FOREIGN TRADE OF UNITED STATES IN GRAPES AND PLUMS

AUGUST 18, 1960.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

REPORT

[To accompany S. 1857]

The Committee on Agriculture, to whom was referred the bill (S. 1857) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception of misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

STATEMENT

The purpose of this bill is to improve the export standards of certain grapes and plums grown in the United States. S. 1857 is specifically designed to protect the reputation of American-grown grapes and plums and to prevent deception or misrepresentation as to the quality of such exported commodities. The bill provides for a trade-financed inspection of grapes and plums moving into foreign commerce. The Secretary of Agriculture would establish the minimum standards and certain exceptions necessary to carry out the provisions of this legislation. Violators would be penalized by fines of not less than \$100, nor more than \$10,000 by courts of competent jurisdiction.

An open hearing was held before the Subcommittee on Departmental Oversight and Consumers Relations on June 24, 1960. A representative of the Department of Agriculture testified in support of S. 1857 and stated that it would result in an additional annual cost to the Department of approximately \$7,500. This sum would be necessary to cover expenses for promulgation, administration, and enforcement of the required export standards.

The Senate report, which is appended hereto and made a part of this report, explains in more detail the need for this legislation. The Senate committee amendments were adopted by the Senate. This bill is therefore identical to that reported by the Senate committee and described in the Senate report.

[S. Rept. 1274, 86th Cong., 2d sess.]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 1857) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

PURPOSE OF THE BILL

The purpose of this bill is to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce by providing for inspection of such products entering such commerce.

The bill makes it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, unless accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make rules, regulations, and orders necessary to carry out the provisions of the bill; and is also authorized, in his discretion, to permit the shipment of less than carload lots without complying with the provisions of the act. A reasonable fee is provided to cover the cost of the service. There are penalties provided for violation of the act.

The bill is intended to enhance the possibility of reestablishing the markets of Western Europe, particularly the United Kingdom, which were lost during World War II.

Public hearings were held by the full Committee on Interstate and Foreign Commerce.

COMMITTEE ACTION

The full Committee on Interstate and Foreign Commerce held hearings on the bill on April 12, 1960.

One witness from the Department of Agriculture appeared and testified. Also, a statement by the California Grape & Tree Fruit League and letters from the Department of Agriculture and the Interstate Commerce Commission were filed.

It is pointed out, in the statement filed by the California Grape & Tree Fruit League, that after 1938 no California fresh plums have

been allowed to enter the United Kingdom; and grapes have been allowed to enter only in limited quantities since 1954. During this time the British importers have developed other sources of supply. On June 8, 1959, the United Kingdom liberalized the importation of these fruits and the California growers have an opportunity to regain their market. They urge the passage of this bill in order to protect the industry from the few who might try to ship inferior fruit and ruin this opportunity for the larger part of the industry.

They recommend amending the bill by striking the word "knowingly" from the last sentence of section 6 of the bill so that they would not have to prove knowledge in establishing a violation. They also recommend that Damson-type plums be excluded as well as Italian-type prunes. These two recommended amendments are also proposed by the Department of Agriculture.

The witness for the Department of Agriculture also recommended that the proviso which authorized the shipment to fulfill any contract made within 6 months prior to the date of such shipment be changed to 2 months. He also recommended that the maximum exemption not be set out in the law but be left to the rules and regulations of the Secretary. He also suggests that the Secretary be authorized to require such reports as he may deem necessary. The purpose of this change is to permit the Secretary to require shippers and carriers to make such reports as are necessary to administer the act properly.

The Department of Agriculture estimates that the cost to the Government to administer this act would be approximately \$7,500 per year.

It appears that there is no opposition to this bill from any source. The Interstate Commerce Commission, in their letter which was filed, recommends that the provisions of the act not be applicable to carriers under their jurisdiction; however, apparently no difficulty has arisen under a similar provision in the Export Apple and Pear Act that has been administered by the Department of Agriculture since 1933, and the Department of Agriculture states that it would be more difficult to administer without authority to hold the shippers liable.

It is your committee's opinion that the bill should be amended in the following particulars:

(1) By striking the word "Six" from line 19, page 2, and substituting therefor the word "two".

(2) By striking all of section 4 and substituting therefor the following:

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

(3) By striking from section 6, page 4, line 11, the word "knowingly".

(4) In line 15, page 4, section 7, by striking the word "orders" and adding therefor the following: "orders, and requiring such reports,".

(5) In line 5, page 6, by striking the word "prunes" and adding the following: "Prunes, nor Damson-type plums."

Your committee is of the opinion that S. 1857, with the above amendments should be enacted.

AGENCY COMMENTS

The Comptroller General of the United States, Department of Justice, Federal Trade Commission, General Services Administration, Department of State, government of the District of Columbia, U.S. Tariff Commission, and Civil Aeronautics Board offered no pertinent comments on S. 1857, since the legislation did not directly affect any of these agencies. The Interstate Commerce Commission, the Department of Agriculture, the Secretary of Commerce, and the Secretary of the Treasury have submitted the following report:

OCTOBER 7, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MAGNUSON: Your letter of May 6, 1959, addressed to the Chairman of the Commission, and requesting comments on a bill, S. 1857, introduced by Senator Engle (for himself and Senator Kuchel), to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes, has been referred to our Committee on Legislation. After consideration by that committee, I am authorized to submit the following comments in its behalf:

Section 1 of S. 1857 would make it unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, specified types of grapes or plums in packages, which are not accompanied by a certificate issued under authority of the Secretary of Agriculture showing that they are of a Federal or State grade which meets the minimum quality established by the Secretary for export shipment. The term "foreign commerce" is defined in section 9 of the bill as commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

Section 6 of the bill provides that any person or any common carrier or any transportation agency knowingly violating any of the provisions of the proposal would be liable to pay a fine of not less than \$100 nor more than \$10,000. This provision carries with it the implication that any person or any common carrier or any transportation agency that does not know of the existence of this law could not be in violation thereof. In other words, a question arises as to whether this is tantamount to a statutory exemption for "ignorance of the law."

At the same time it should be pointed out that section 1 of the bill makes it unlawful for any person to ship, or for any carrier or any person to transport or receive for transportation to any foreign destination any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary of Agriculture. The bill does not state that such person or carrier must knowingly transport. Thus, a person or carrier may knowingly transport grapes or plums without the required certificate, and, under the provisions of section 6 of the bill, not be in violation of the law if he is unaware of the existence of such law.

As to the desirability of subjecting shippers to liability for violations of the proposed statute we express no opinion. We consider it undesirable, however, to extend liability to carriers subject to our jurisdiction, especially common carriers, since they could be presented with serious problems in their efforts to avoid any possible charge of violation. The effect is to place upon the carrier the obligation of determining whether someone else is violating the law; that is, the carrier is required to ascertain whether the shipment is accompanied by the certificate described in section 1 of the bill. Moreover, enactment of this measure as it now reads, would be expensive and burdensome to the carriers, and would slow down service to the public if the carriers are to protect themselves. It goes without saying that any resulting increase in expense to the carrier would probably be reflected in increased rates to the public.

Accordingly we recommend that the proposal be amended so as to make it expressly inapplicable to common and contract carriers conducting operations in the ordinary course of business.

The bill does not otherwise pertain to the functions of this Commission and for that reason we are unable to express a helpful opinion with respect to its merits.

Respectfully submitted.

KENNETH H. TUGGLE,
Chairman, Committee on Legislation.
ANTHONY ARPAIA.
HOWARD FREAS.

U.S. DEPARTMENT OF AGRICULTURE,
Washington, D.C., October 21, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate.

DEAR SENATOR MAGNUSON: This is in reply to your letter of May 5, 1959, in which you transmitted a copy of S. 1857 to this Department for comments concerning this proposed legislation.

This Department recommends that this bill be enacted.

The purpose of this bill is to promote foreign trade of the United States in grapes and plums, to promote the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, and to provide for the commercial inspection of such products entering such commerce.

To accomplish these objectives this bill would make it unlawful for any person to ship or offer for shipment, or for any person or carrier to transport or receive for transportation to any foreign destination, except as provided in this bill, European-type grapes or European- and Japanese-type plums, except Italian-type prunes, in packages which are not accompanied by a certificate showing that such products meet minimum quality requirements established by the Secretary of Agriculture. The Secretary would be authorized to make such rules, regulations, and orders as may be necessary to carry out the provisions of this bill.

The bill would require the Secretary to provide opportunity, by public hearing or otherwise, for interested persons to examine and

make recommendations with respect to any proposed standards of export or regulations prescribed by him for the purposes of this legislation. It would further require the Secretary to give reasonable notice, through one or more trade papers, of the effective date of standards of export established by him, provided that grapes or plums may be certified and shipped for export in fulfillment of any contracts made within 6 months prior to the date of shipment if the terms of such contracts were in accordance with the grades and regulations in effect at the time the contracts were made. The Secretary may, at his discretion, exempt shipments of grapes and plums in less than carload lots as defined by him. The bill would require collection of a reasonable fee to cover the cost of services rendered in certifying products for export under it.

The bill would authorize the Secretary, after giving opportunity for hearing, to refuse the issuance of certificates under the legislation for periods not exceeding 90 days to any person who ships or offers for shipment any grapes and plums in violation. Any person, carrier, or transportation agency knowingly violating any provisions of this measure would be subject to a fine of not less than \$100 or more than \$10,000 by a court of competent jurisdiction.

It is noted in paragraph (5) of section 9 that Italian-type prunes are exempt from the bill. It is suggested that Damson-type plums also be exempt, as exports of Damson plums are confined to small shipments to Canada and are usually processed rather than eaten out of hand as are the European- and Japanese-type fresh plums.

This bill is practically identical in its purpose and provisions to the Export Apple and Pear Act of 1933 currently administered by this Department. In our considered opinion, it is essential that U.S. fruitgrowers and shippers export good quality fruit if they are to maintain or increase the present level of fresh fruit exports, in view of current expansion of fruit production not only in this country but in those countries competing with the United States in the world markets. The proposed legislation is designed to accomplish this and is therefore recommended by this Department.

In addition to the inspection services which would be covered by fees, the enactment of the proposed legislation would result in an estimated additional annual cost of approximately \$7,500 of appropriated funds for development, promulgation, and enforcement of the required export standards.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

MARVIN L. McLAIN,
Acting Secretary.

AUGUST 12, 1959.

HON. WARREN G. MAGNUSON,
*Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request of May 6, 1959, for the views of the Department of Commerce with respect to S. 1857, a bill to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresenta-

tion as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

This bill would authorize the Secretary of Agriculture to establish minimum quality and other standards for grapes and plums for export, to require inspection and certification of these products for export, and to collect a reasonable fee for such inspection and certification.

This Department supports the enactment of S. 1857. The establishment and enforcement of appropriate standards would facilitate and encourage foreign purchases of these U.S. products and thus contribute to a desirable expansion in U.S. exports. And, being patterned on practices already in use with respect to products sold domestically, this proposal would presumably involve relatively little administrative difficulty and cost to the trade which would probably be more than offset by the business advantages of selling officially graded and labeled goods.

The Bureau of the Budget has advised us that there would be no objection to the submission of this report to your committee.

Sincerely yours,

FREDERICK H. MUELLER,
Secretary of Commerce.

OFFICE OF THE SECRETARY OF THE TREASURY,
Washington, July 29, 1959.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of May 6, 1959, requesting the Department's comments concerning S. 1857, to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

It does not appear that the proposed legislation would impose any additional duties on the customs service in the administration of its provisions.

In general, this Department believes that it is undesirable to impose restrictions on the export of commodities for reasons other than those of health, sanitation, national security, and so forth. However, since the subject of the proposed legislation is not within an area of primary concern to the Treasury Department, it is not informed whether special reasons exist which warrant a departure from this principle and, accordingly, does not desire to comment on the merits of the bill.

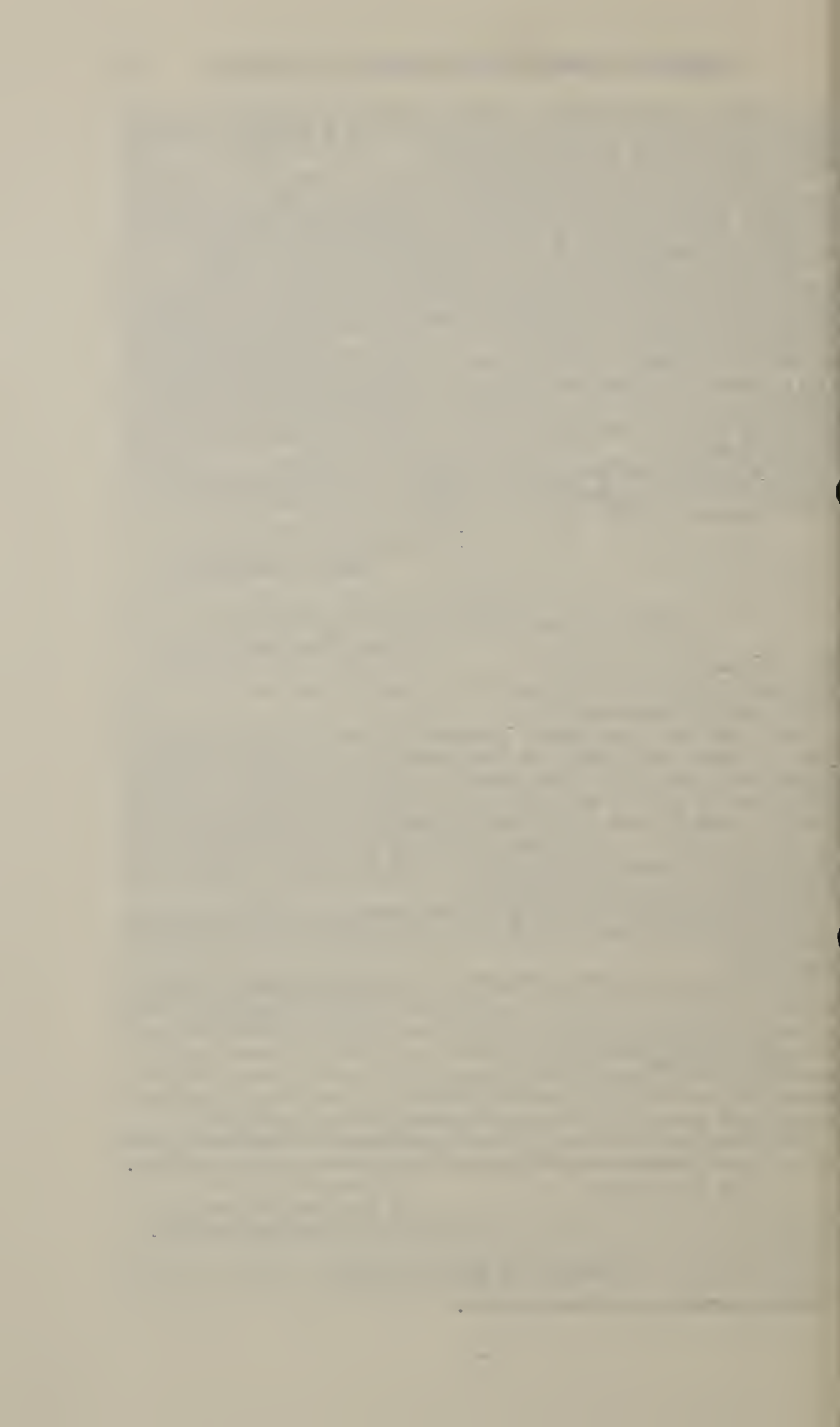
The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

A. GILMORE FLUES,
Acting Secretary of the Treasury.

CHANGES IN EXISTING LAW

There is no change in existing law.



Union Calendar No. 943

86TH CONGRESS
2D SESSION

S. 1857

[Report No. 2107]

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1960

Referred to the Committee on Agriculture

AUGUST 18, 1960

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

AN ACT

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That it shall be unlawful for any person to ship or offer for
4 shipment or for any carrier, or any steamship company, or
5 any person to transport or receive for transportation to any
6 foreign destination, except as provided in this Act, any
7 grapes or plums in packages which are not accompanied by a

1 certificate issued under authority of the Secretary showing
2 that such grapes or plums are of a Federal or State grade
3 which meets the minimum of quality established by the Sec-
4 retary for shipment in export. The Secretary is authorized
5 to prescribe, by regulations, the requirements, other than
6 those of grades, which the fruit must meet before certificates
7 are issued. The Secretary shall provide opportunity, by
8 public hearing or otherwise, for interested persons to examine
9 and make recommendation with respect to any standard of
10 export proposed to be established or designated, or regula-
11 tion prescribed, by the Secretary for the purposes of this Act.

12 SEC. 2. The Secretary shall give reasonable notice
13 through one or more trade papers of the effective date of
14 standards of export established or designated by him under
15 this Act: *Provided*, That any grapes or plums may be cer-
16 tified and shipped for export in fulfillment of any contract
17 made within two months prior to the date of such ship-
18 ment if the terms of such contract were in accordance with
19 the grades and regulations of the Secretary in effect at the
20 time the contract was made.

21 SEC. 3. Where the government of the country to which
22 the shipment is to be made has standards or requirements as
23 to condition of grapes and plums the Secretary may in addi-
24 tion to inspection and certification for compliance with the
25 standards established or designated hereunder inspect and

1 certify for determination as to compliance with the standards
2 or requirements of such foreign government and may provide
3 for special certificates in such cases.

4 SEC. 4. The Secretary may, by regulation, exempt from
5 compliance with the provisions of this Act the shipment of
6 such minimum quantities of grapes and plums to any foreign
7 country as he may prescribe.

8 SEC. 5. For inspecting and certifying the grade, quality,
9 or condition of grapes or plums the Secretary shall cause
10 to be collected a reasonable fee which shall, as nearly as
11 may be, cover the cost of the service rendered: *Provided*,
12 That when cooperative arrangements satisfactory to the Sec-
13 retary, or his designated representative, for carrying out the
14 purposes of this Act cannot be made the fees collected here-
15 under in such cases shall be available until expended to
16 defray the cost of the service rendered, and in such cases the
17 limitations on the amounts expended for the purchase and
18 maintenance of motor-propelled passenger-carrying vehicles
19 shall not be applicable: *Provided further*, That certificates
20 issued by the authorized agents of the United States Depart-
21 ment of Agriculture shall be received in all courts of the
22 United States as prima facie evidence of the truth of the
23 statements therein contained.

24 SEC. 6. After opportunity for hearing the Secretary is
25 authorized to refuse the issuance of certificates under this

1 Act for periods not exceeding ninety days to any person who
2 ships or offers for shipment any grapes or plums in foreign
3 commerce in violation of any of the provisions of this Act.
4 Any person or any common carrier or any transportation
5 agency violating any of the provisions of this Act shall be
6 fined not less than \$100 nor more than \$10,000 by a court
7 of competent jurisdiction.

8 SEC. 7. The Secretary may make such rules, regulations,
9 and orders, and require such reports; as may be neces-
10 sary to carry out the provisions of this Act, and may cooper-
11 ate with any department or agency of the Government, any
12 State, Territory, District, or possession, or department,
13 agency, or political subdivision thereof, or any person,
14 whether operating in one or more jurisdictions; and shall
15 have the power to appoint, remove, and fix the compensation
16 of such officers and employees not in conflict with existing
17 law, and make such expenditures for rent outside the District
18 of Columbia, printing, binding, telegrams, telephones, law
19 books, books of reference, publications, furniture, stationery,
20 office equipment, travel, and other supplies and expenses
21 including reporting services, as shall be necessary to the
22 administration of this Act in the District of Columbia and
23 elsewhere, and as may be appropriated for by Congress.

1 This Act shall not abrogate nor nullify any other statute,
2 whether State or Federal, dealing with the same subjects
3 as this Act; but it is intended that all such statutes shall
4 remain in full force and effect except insofar as they are
5 inconsistent herewith or repugnant hereto.

6 SEC. 8. If any provision of the Act or the application
7 thereof to any person or circumstances is held invalid, the
8 validity of the remainder of the Act and of the application
9 of such provision to other persons and circumstances shall
10 not be affected thereby.

11 SEC. 9. That when used in this Act—

12 (1) The term “person” includes individuals, partner-
13 ships, corporations, and associations.

14 (2) The term “Secretary” means the Secretary of
15 Agriculture.

16 (3) Except as provided herein, the term “foreign com-
17 merce” means commerce between any State, or the District
18 of Columbia, and any place outside of the United States or
19 its possessions.

20 (4) The term “grapes” means vinifera species table
21 grapes, European type, whether or not they have been in
22 storage.

23 (5) The term “plums” means both European and Japa-

- 1 nese type, whether or not they have been in storage, but
- 2 does not mean Italian-type prunes, nor damson-type plums.

Passed the Senate May 4, 1960.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

MAY 6, 1960

Referred to the Committee on Agriculture

AUGUST 18, 1960

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

20. LANDS. Passed as reported H. R. 11957, to facilitate the selection by Alaska, pursuant to the act of July 7, 1958, of certain public lands under outstanding mineral lease or permit. p. 16047

Passed with amendment (in lieu of H.R. 10418) S. 2806, to revise the boundaries of the Coronado National Memorial, Ariz., and to authorize the repair and maintenance of an access road thereto. pp. 16047-9

The Agriculture Committee voted to report (but did not actually report) H. R. 12491, to convey certain lands of Fremont County, Wyo.; and S. 3759, authorizing the Secretary of Agriculture to convey certain lands to Auburn University, Auburn, Ala. pp. D703, D705

Passed as reported H. R. 11200, to authorize the Secretary of the Interior to sell reserved mineral interests of the U. S. in lands located in Fla. to the record owners of the surface thereof. pp. 16049-50

Passed as reported H. R. 9732, to authorize the Secretary of Agriculture to convey certain property to Trinity County, Calif. pp. 16050-2

Passed without amendment S. 3070, to provide for the removal of restriction on use with respect to certain lands in Morton County, N. Dak., conveyed to N. Dak. in 1955. This bill will now be sent to the President. p. 16055

Passed without amendment S. 2772, to authorize the Secretary of Agriculture to convey land in the town of Cascade, Colo. This bill will now be sent to the President. pp. 16055-6

The Public Lands Subcommittee of the Interior and Insular Affairs Committee voted to report the following bills: S. 2757 (amended), to permit any State to acquire certain public lands for recreational use; and S. 3267, to amend the act of Oct. 17, 1940, relating to the disposition of certain public lands in Alaska. p. D706

21. CLAIMS. Passed without amendment H. R. 9523, to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements. pp. 16053-4

Received from the President a supplemental appropriation estimate to pay various claims and judgments rendered against the U. S. (H.Doc. 452). p. 16166

22. GRAPES AND PLUMS. Passed without amendment S. 1857, to establish minimum standards on grapes and plums in foreign commerce. This bill will now be sent to the President. pp. 16054-5

23. ACREAGE ALLOTMENTS. Passed as reported H. R. 12849, to protect farm and ranch operators making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments. p. 16055

24. HALL OF FAME. Agreed to Senate amendments to H. R. 5789, to incorporate the Agricultural Hall of Fame. This bill will now be sent to the President. p. 16151

25. MINERALS. Received the conference report on H. R. 10455, to amend the Mineral Leasing Act of Feb. 25, 1920 (H. Rept. 2135). pp. 16151-5

26. PASSED OVER the following bills:

H. R. 8074, to permit the assignment of agricultural attaches to duty in the U.S. for a maximum of four years without reduction in grade; (p. 16040)

H. R. 12419, to provide for advance consultation with the Fish and Wildlife Service and with State wildlife agencies before the beginning of any Federal program involving the use of pesticides or other chemicals designed for mass biological controls; (p. 16040)

H. R. 6743, to provide for certain survivors' annuities in additional cases under the Civil Service Retirement Act of May 29, 1930. p. 16042

Aug. 23, 1960

House and Senate

9. PERSONNEL; FOREIGN AFFAIRS. Conferees were appointed on S. 2633, to amend the Foreign Service Act of 1946 relating to Foreign Service staff officers and the Foreign Service retirement system. pp. 15957-63, 16094
 10. HOUSING. Both Houses received from the President the annual report of the Housing and Home Finance Agency on housing activities. pp. 15923, 16040
 11. TARIFFS; SMALL BUSINESS. Sen. Sparkman inserted a tabulation of escape clause applications before the Tariff Commission as of July 1, 1960. p. 16016
Sen. Randolph inserted a report from the Select Committee on Small Business "Impact of Imports on Small Business," including six recommendations "for softening the impact of imports on American industry." p. 16032
 12. RESEARCH. Sen. Clark inserted a magazine article, "CBR Versus Man," discussing the possible serious effects of chemical, biological, and radiological warfare on man. pp. 16027-30
- HOUSE
13. STATE-JUSTICE APPROPRIATION BILL, 1961. Received the conference report on this bill, H. R. 11666 (H. Report 2136). pp. 16038-9, 16166
 14. LABOR STANDARDS. Rep. Johansen objected to a unanimous consent request to agree to the conference requested by the Senate on H. R. 12677, to amend the Fair Labor Standards Act to increase the minimum wage and to increase the coverage under the Act. p. 16039
 15. FISH AND WILDLIFE. Passed without amendment S. 1781, to facilitate cooperation between the Federal Government, colleges and universities, the States, and private organizations for cooperative unit programs of research and education relating to fish and wildlife. This bill will now be sent to the President. p. 16040
Passed without amendment H. J. Res. 713, to authorize the use of surplus grain by the States for emergency use in feeding of resident game birds and other wildlife. pp. 16044-5
 16. RECREATION. Passed without amendment H. R. 12539, to authorize the Army, with the consent of Congress, to acquire lands and to establish facilities necessary for recreation purposes in connection with reservoir projects constructed with Federal funds. pp. 16040-1
 17. PERSONNEL. Passed without amendment H. R. 12336, to amend the Classification Act of 1949 with respect to the preservation of basic compensation in downgrading actions. p. 16045
 18. TRANSPORTATION. Passed as reported S. 1806, to revise title 18, chapter 39, of the United States Code, dealing with the transportation of "Explosive and Combustibles." pp. 16042-4
 19. RECLAMATION. Passed without amendment S. 68, to provide for continued delivery of water under Federal reclamation laws to lands held by husband and wife upon the death of either. This bill will now be sent to the President. p. 16052
Received from Interior a report that "an adequate soil survey and land classification of the lands in the LaFeria division, lower Rio Grande rehabilitation project, Tex., has been completed" to formulate "a definite plan for project rehabilitation." p. 16166

handicapped we have found that we not only provide jobs for those who would, in many cases, be burdens upon society but we have also added to our reservoir of technical knowledge many skilled workers.

The President's Committee is composed of over 350 individuals representing every possible phase of American life. It works through veterans' committees, employers' committees, high school officials, the press, radio, television, motion pictures, and speakers' bureaus. It provides valuable workmen's compensation studies which show conclusively that an investment in hiring of handicapped persons is good economics.

Since the authorization of \$225,000 a year was fixed in 1954, the expenses of the President's Committee has increased tremendously.

The Committee has been influenced not only by inflation but also by changes in fiscal budgeting policies and by the fact that its services have been increased in the last few years.

Through informational, education, and promotional activities the President's Committee has contributed greatly toward creating a favorable climate of opinion in which handicapped persons are accepted just as other skilled workers may find gainful employment suited to their skills and abilities.

There is no program which cost so little and has done so much.

Mr. ELLIOTT. Mr. Speaker, I am happy to rise in support of H.R. 12453, a bill to increase, from \$225,000 annually to \$300,000 annually, the authorization for the President's Committee on the Employment of the Physically Handicapped. I would also like to pay my regards to the sponsor of this bill, the gentleman from New Jersey [Mr. DANIELS], who has shown such a keen interest and who has worked so diligently on this legislation, and on other measures which have been before our Subcommittee on Special Education.

The President's Committee on the Employment of the Physically Handicapped was established in 1947 by President Harry S. Truman. To my mind it represents one of our most successful national efforts to promote the general welfare. By encouraging employment of the handicapped the President's Committee is helping the Nation meet, at one of the most critical times in our history, a special need for technically trained and highly skilled workers.

Gov. LeRoy Collins, of Florida, speaking to this same point, has said:

No better examples of enlightened democracy in action can be found than local, State, and National programs through which disabled persons are rehabilitated and their services utilized in well-chosen employment. Everybody profits when an individual who was idle because of a handicap is prepared for a job and given the opportunity to work at his highest level.

There are thousands of handicapped persons with highly specialized training that is valuable in our industrial and business world. They are using skills in the performance of jobs which are tedious and demanding. Many of these persons have been given employment as

a result of the efforts of the President's Committee on the Employment of the Physically Handicapped.

In helping obtain rewarding employment for the handicapped the President's Committee works with groups and agencies at State and local levels. The main functions of the Committee are the encouragement of maximum employment opportunities for the physically handicapped by supplying information to employers; conducting a program of public education; and cooperating with Federal officials, State officials, Governors' committees, local committees, professional trade groups, and organized labor. The President's Committee works closely with the Department of Labor; the Department of Health, Education, and Welfare; the Veterans' Administration; State employment-security agencies; and State vocational rehabilitation agencies as well as representatives of industry, labor, and public and private agencies. It is through this means that the President's Committee attempts to bring the message of job opportunity for the handicapped to the eyes and ears of America.

The good work of the Committee must be continued and expanded. To meet the demands which are placed upon it, it must have additional funds. We, the American people, may lose or overlook the skills of many handicapped persons if the President's Committee does not function adequately.

The annual authorization for the President's Committee was set at \$225,000 in 1954 by Public Law 565 of the 81st Congress. In fiscal 1961, for the first time, the Committee received its full appropriation. Since 1954 the cost of almost everything—including salaries, goods, and services—has increased. In addition, changes in fiscal budgeting policies have increased post office mailing costs, retirement costs, printing costs, and various other aspects of the Committee's program.

In addition to the increase in the Committee's operating expenses, the Committee has also expanded its program, increased its services, and provided greater quantities of promotional materials for the States—with special emphasis upon certain neglected groups which have a great potential in the Committee's programs. A major part of the Committee's expanded program is in the assistance of the mentally restored and the mentally retarded in finding increased employment opportunities.

We found that the President's Committee has consistently tried to effect all possible economies in their efforts. They have acted as a service agency to various government departments, to the States, and to public spirited volunteers and their organizations. An increase in the President's Committee's authorization will make it possible for them to do a better job, to render increased service, and to speed the day when a physical and mental handicap will be even less an obstacle to the workers than it is today.

To extend the past record of excellent performance, to expand services,

and to further implement the American tradition of encouraging the development of the fullest potential of every individual, I heartily support this bill by the gentleman from New Jersey, [Mr. DANIELS] for an increase of \$75,000 in the authorization for the President's Committee on the Employment of the Physically Handicapped, thus bringing the total authorization to \$300,000 annually. The Subcommittee on Special Education of which I happen to be chairman looked into this matter carefully. I urge its adoption.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CREDIT FOR TIME AND CUSTODY AWAITING TRIAL

The Clerk called the bill (H.R. 12208) to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody.

Mr. PELLY. Mr. Speaker, it is my understanding that this measure or a measure similar to it passed the House on June 28. Therefore, I ask unanimous consent that this bill be laid on the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PAYMENTS OF JUDGMENTS AND COMPROMISE SETTLEMENTS

The Clerk called the bill (H.R. 9523) to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2414 of title 28 of the United States Code is amended to read:

"§ 2414. Payment of judgments and compromise settlements

"Payment of final judgments rendered by a district court against the United States shall be made on settlements by the General Accounting Office. Payment of final judgments rendered by a state or foreign court or tribunal against the United States, or against its agencies or officials upon obligations or liabilities of the United States, shall be made on settlements by the General Accounting Office after certification by the Attorney General that it is in the interest of the United States to pay the same.

"Whenever the Attorney General determines that no appeal shall be taken from a judgment or that no further review will be sought from a decision affirming the same, he shall so certify and the judgment shall be deemed final.

"Except as otherwise provided by law, compromise settlements of claims referred to the Attorney General for defense of imminent litigation or suits against the United States, or against its agencies or officials upon obligations or liabilities of the United States, made by the Attorney General or any person authorized by him, shall be settled and paid in a manner similar to judgments in like causes and appropriations or funds

available for the payment of such judgments are hereby made available for the payment of such compromise settlements."

SEC. 2. The last item in the analysis of chapter 161 of such title is amended to read:

"2414. Payment of judgments and compromise settlements."

SEC. 3. Section 1302 of the Act of July 27, 1956 (70 Stat. 694; 31 U.S.C. 724a), is amended by deleting the words "judgments (not in excess of \$100,000 in any one case) rendered by the district courts and the Court of Claims against the United States which have become final" and inserting in lieu thereof the words "final judgments and compromise settlements (not in excess of \$100,000, or its equivalent in foreign currencies at the time of payment, in any one case) which are payable in accordance with the terms of sections 2414 or 2517 of title 28, United States Code".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEW JERSEY TERCENTENARY CELEBRATION COMMISSION

The Clerk called the joint resolution (S.J. Res. 68) providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of New Jersey, and for other purposes.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the year 1964 will mark the tercentenary of the patent conveying all the lands between the Connecticut River and the east side of the Delaware River from Charles II to James, Duke of York; and

Whereas the year 1964 will also mark the three hundredth anniversary of the execution of deeds of lease and release by the said James, Duke of York, to John Lord Berkeley, Baron of Stratton, and Sir George Carteret, of Saltrum, of those lands " * * * bounded on the east part by the main sea, and part by Hudson's river, and hath upon the west Delaware bay or river, and extendeth southward to the main ocean as far as Cape May at the mouth of Delaware bay; and to the northward as far as the northernmost branch of the said bay or river of Delaware, which is forty-one degrees and forty minutes of latitude, and crosseth over thence in a strait line to Hudson's river in forty-one degrees of latitude; which said tract of land is hereafter to be called by the name or names of New Caesarea or New Jersey * * * and of the right of government therein; and

Whereas the year 1964 will also be tercentenary of the signing and publication by John Lord Berkeley and Sir George Carteret of "The Concessions and Agreement of the Lords Proprietors of the Province of New Caesarea or New Jersey to and with all and every the Adventurers and all such as shall settle or plant here", a declaration of the organic law of the colony and, truly, "the Magna Carta of New Jersey"; and

Whereas these foregoing events mark the beginning of the separate history of New Jersey as a colony; and

Whereas it is fitting and desirable that we commemorate the beginnings of the State of New Jersey, together with its subsequent history and its present and future role in the family of the United States, for the benefit of all the people of our Nation; and

Whereas such a commemoration, with careful planning, can be of enduring, rather than transitory, worth to our people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a commission to be known as the New Jersey Tercentenary Celebration Commission (hereafter referred to in this joint resolution as the "Commission") which shall be composed of fifteen members as follows:

(1) Four members who shall be Members of the Senate, to be appointed by the President of the Senate;

(2) Four members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(3) Seven members to be appointed by the President.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall receive no salary.

SEC. 2. (a) The functions of the Commission shall be to develop and to execute suitable plans for the celebration of a series of anniversaries occurring between 1959 and 1964, both years inclusive, commemorating the three hundredth anniversary of the State of New Jersey.

(b) In carrying out its functions the Commission is authorized to cooperate with and to assist the New Jersey Tercentenary Commission and any other agency created or designated by the Legislature of the State of New Jersey for the purpose of planning and promoting the New Jersey Tercentenary Celebration. In the participation of other nations in the celebration is deemed advisable, the Commission may communicate to that end with the governments of such nations through the Department of State.

SEC. 3. The Commission may employ, without regard to the civil-service laws or the Classification Act of 1949, as amended, such employees as may be necessary in carrying out its functions. Service of an individual as a member of the Commission or employment of an individual by the Commission, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes of the United States (5 U.S.C. 99).

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this joint resolution. The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this joint resolution.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within two months following the celebration as prescribed by this joint resolution.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Com-

mission activities, shall be deposited in the Treasury of the United States.

SEC. 5. The Commission shall expire upon the completion of its duties, but in no event later than March 1, 1965.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROMOTING FOREIGN TRADE OF UNITED STATES IN GRAPES AND PLUMS

The Clerk called the bill (S. 1357) to promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, except as provided in this Act, any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary showing that such grapes or plums are of a Federal or State grade which meets the minimum of quality established by the Secretary for shipment in export. The Secretary is authorized to prescribe, by regulations, the requirements, other than those of grades, which the fruit must meet before certificates are issued. The Secretary shall provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendation with respect to any standard of export proposed to be established or designated, or regulation prescribed, by the Secretary for the purposes of this Act.

SEC. 2. The Secretary shall give reasonable notice through one or more trade papers of the effective date of standards of export established or designated by him under this Act: *Provided*, That any grapes or plums may be certified and shipped for export in fulfillment of any contract made within two months prior to the date of such shipment if the terms of such contract were in accordance with the grades and regulations of the Secretary in effect at the time the contract was made.

SEC. 3. Where the government of the country to which the shipment is to be made has standards or requirements as to condition of grapes and plums the Secretary may in addition to inspection and certification for compliance with the standards established or designated hereunder inspect and certify for determination as to compliance with the standards or requirements of such foreign government and may provide for special certificates in such cases.

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

SEC. 5. For inspecting and certifying the grade, quality, or condition of grapes or plums the Secretary shall cause to be collected a reasonable fee which shall, as nearly as may be, cover the cost of the service rendered: *Provided*, That when cooperative

arrangements satisfactory to the Secretary, or his designated representative, for carrying out the purposes of this Act cannot be made the fees collected hereunder in such cases shall be available until expended to defray the cost of the service rendered, and in such cases the limitations on the amounts expended for the purchase and maintenance of motor-propelled passenger-carrying vehicles shall not be applicable: *Provided further*, That certificates issued by the authorized agents of the United States Department of Agriculture shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained.

SEC. 6. After opportunity for hearing the Secretary is authorized to refuse the issuance of certificates under this Act for periods not exceeding ninety days to any person who ships or offers for shipment any grapes or plums in foreign commerce in violation of any of the provisions of this Act. Any person or any common carrier or any transportation agency violating any of the provisions of this Act shall be fined not less than \$100 nor more than \$10,000 by a court of competent jurisdiction.

SEC. 7. The Secretary may make such rules, regulations, and orders, and require such reports, as may be necessary to carry out the provisions of this Act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, whether operating in one or more jurisdictions; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses including reporting services, as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and as may be appropriated for by Congress. This Act shall not abrogate nor nullify any other statute, whether State or Federal, dealing with the same subjects as this Act; but it is intended that all such statutes shall remain in full force and effect except insofar as they are inconsistent herewith or repugnant hereto.

SEC. 8. If any provision of the Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 9. That when used in this Act—

(1) The term "person" includes individuals, partnerships, corporations, and associations.

(2) The term "Secretary" means the Secretary of Agriculture.

(3) Except as provided herein, the term "foreign commerce" means commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

(4) The term "grapes" means vinifera species table grapes, European type, whether or not they have been in storage.

(5) The term "plums" means both European and Japanese type, whether or not they have been in storage, but does not mean Italian-type prunes, nor damson-type plums.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF CERTAIN LANDS IN MORTON COUNTY, N. DAK.

The Clerk called the bill (S. 3070) to provide for the removal of the restriction on use with respect to certain lands in Morton County, N. Dak., conveyed to the State of North Dakota on July 20, 1955.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized and directed to convey, without consideration and by quitclaim deed or other appropriate means, all reversionary interest which the United States has in and to certain lands in Morton County, North Dakota, by reason of the provision of the deed of July 20, 1955, whereby the United States, in conveying such lands to the State of North Dakota, provided that, if such lands ceased to be used for public purposes, title thereto should immediately revert to and become revested in the United States. Such lands are more particularly described as follows:

The southwest quarter of section 36 in township 139 north of range 81 west of the fifth Principal meridian, and lots 3 and 4, also known as the north half of the northwest quarter of section 1 of township 138 north of range 81 west of the fifth Principal meridian, containing 240.2 acres, more or less, and together therewith all accretion land and all and singular the water rights and other rights, tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSERVATION RESERVE PROGRAMS

The Clerk called the bill (H.R. 12349) to protect farm and ranch operators making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 16 of the Soil Conservation and Domestic Allotment Act of 1938, as amended, is amended as follows:

(1) Paragraph (3) of subsection (b) is amended to read as follows:

"(3) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract heretofore or hereafter entered into under this subsection by reason of any action taken for the purpose of carrying out such contract and, under regulations of the Secretary, shall not be decreased, for such period after the expiration of the contract as is equal to the period of the contract, by reason of the maintenance of any change in land use from cultivated cropland to permanent vegetation carried out under the contract;"

(2) Paragraph (4) of subsection (b) is amended to read as follows:

"(4) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out any contract heretofore or hereafter entered into under the program or in order to maintain, for such period after the expiration of the contract as is equal to the period of the contract, any change in land use from cultivated cropland to permanent vegetation carried out under the contract shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended."

SEC. 2. Section 112 of the Soil Bank Act, as amended, is amended as follows:

(1) Paragraph (1) is amended to read as follows:

"(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract heretofore or hereafter entered into under this subtitle by reason of any action taken for the purpose of carrying out such contract and, under regulations of the Secretary, shall not be decreased, for such period after the expiration of the contract as is equal to the period of the contract, by reason of the maintenance of any change in land use from cultivated cropland to permanent vegetation carried out under the contract;"

(2) Paragraph (2) is amended to read as follows:

"(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out any contract heretofore or hereafter entered into under this subtitle or in order to maintain, for such period after the expiration of the contract as is equal to the period of the contract, any change in land use from cultivated cropland to permanent vegetation carried out under the contract shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended."

With the following committee amendment:

Page 2, line 14, strike out "whch" and insert "which".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND CONVEYANCE TO CLEAR TITLE, CASCADE, COLO.

The Clerk called the bill (S. 2772) to authorize the Secretary of Agriculture to convey land in the town of Cascade, El Paso County, Colo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to convey by quitclaim deed, without consideration, to Mary E. Cusack, her heirs, devisees

or other successors in interest, donor in a certain deed to the United States dated May 5, 1920, filed for record in El Paso County on December 30, 1920, and recorded in book 627, page 439, all the right, title, and interest of the United States in and to the following described land located in the town of Cascade, El Paso County, Colorado: The easterly one hundred feet of lots numbered 7, 8, 9, 10, 11, 12, 13 and 14, block 24, all in addition numbered 1 to the said townsite of Cascade, El Paso County, Colorado, and lying and being within section 26, township 13 south, range 68 west of the Sixth principal meridian: *Provided*, That application for any such conveyance and proof of interest satisfactory to the Secretary of Agriculture shall be made within five years from the date of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Consent Calendar.

APPROACH ROADS TO FERRY FACILITIES

Mr. RIVERS of Alaska. Mr. Speaker, the language in the bill (H.R. 11240) to amend title 23, United States Code, to provide for participation of Federal-aid highway funds in the construction of approved roads to ferry facilities in the Federal aid system, a bill which was passed on the call of the Consent Calendar earlier this morning, is included in another bill which is already law, so this bill serves no further purpose. Therefore, I ask unanimous consent that the proceedings by which the bill (H.R. 11240) was passed be vacated and that that bill be laid on the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

PRINCESS ANNE COUNTY SCHOOL BOARD, VIRGINIA

Mr. LANE. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Calendar No. 508 the bill (H.R. 11136) for the relief of the Princess Anne County School Board, Virginia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. PELLY. Reserving the right to object, Mr. Speaker, it is my understanding this bill was opposed by the Department of the Navy, and on that basis I asked unanimous consent that the bill be passed over without prejudice, which was granted. If there is any information I did not have concerning this measure, I would be constrained to reconsider. Am I correct that the Navy Department opposes this legislation?

Mr. LANE. May I say that there was no opposition in the Committee on the Judiciary to this bill. This was brought to our attention by the school authorities in the Oceana Public School in Oceana, Va., due to the fact that they were having this very serious situation connected with Princess Anne County in Virginia.

The school is operated there at the Naval Air Base. The jet base is at that location. As a result of the noise caused by the jet aircraft, the school committee there and the school authorities and the school superintendent decided that there was nothing else they could do but to close the school down indicating that they felt there was no opposition to it, but the Navy did send a letter in opposition to this legislation. May I say to the gentleman, the naval authorities through their personnel at the airbase have been very, very sympathetic to this situation. They have worked feelingly with the school committee and the school superintendent and the town authorities to try to eliminate this nuisance. They have felt, as the committee have felt, in an individual way that the Government should reimburse Princess Anne County for their damage in order that they may erect a school in that area to take care of the 1,200 children affected by the jet airbase located so close to the school. As I repeat, and I want to repeat it over and over again, there was evidence offered to us not only by those who presented their arguments to the committee but through moving pictures that were shown to the committee and by other evidence in favor of this legislation that those who were closest to the situation, and I mean the Government people and the Navy people, felt as your committee felt, that something should be done about this situation.

May I say to the gentleman in conclusion, that this does not set any new precedents. Your committee has taken the same action in behalf of a school in the State of Indiana and also have taken care of a situation at Portsmouth, N.H. But in this particular bill, your committee could not decide as to the amount of the damage. We had no evidence on that and we felt the matter should be judicially determined and instead of giving them the award outright, the matter should be sent to the Court of Claims to decide how much Princess Anne County is entitled to to take care of this nuisance so that they might go ahead and construct a new school.

Mr. PELLY. Mr. Speaker, I thank the distinguished gentleman from Massachusetts for clarifying the situation. I did read the letter of the Under Secretary of the Navy, Mr. F. A. Bantz, which stated that the Department of the Navy has consistently opposed such legislation on the basis that by such means we usurp the functions of our courts. As I understand, the change in jurisdiction has now satisfied the objection of the Navy. Therefore, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Princess Anne County School Board, Princess

Anne County, Virginia, the sum of \$345,000, upon the conveyance to the United States within the one-year period beginning on the date of enactment of this Act of all right, title, and interest of such Board in and to such school property. The payment of such sum shall be in full settlement of all claims of the said Board against the United States on account of the loss of use of the school property known as Oceana Public School, and the cost of relocating such school, because of the noise and danger from jet-powered aircraft using the nearby Oceana Naval Air Station: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments.

Page 1, line 6, strike "the sum of \$345,000" and insert "the amount fixed by the Court of Claims in accordance with section 2 of this Act."

Page 1, line 8, strike "of enactment of this Act" and insert "that Court certifies its determination of value as directed in section 2 of this Act."

Page 2, line 5, strike "appropriated" and insert "paid as provided".

Page 2, following line 12 add a new section as follows:

"Sec. 2. Jurisdiction is hereby conferred on the Court of Claims to hear evidence concerning the value of the school property known as the Oceana Public School, determine that value, and certify its determination to the Secretary of the Treasury for payment of the amount found due to the Princess Anne County School Board, Princess Anne County, Virginia, in accordance with the authority contained in section 1 of this Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER pro tempore (Mr. ALBERT). This is the day for the call of the private calendar.

The Clerk will call the first bill on the calendar.

WILLIAM L. BERRYMAN

The Clerk called the bill (H.R. 8885) for the relief of William L. Berryman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$50,000 to William L. Berryman, in full settlement of all claims against the United States. That such sum represents the financial loss incurred by Mr. Berryman, resulting from a physical injury received in Portland, Maine, on November 22, 1949. This claim is not cognizable under the Federal Tort Claims Act of 1946.

Public Law 86-687
86th Congress, S. 1857
September 2, 1960

AN ACT

74 STAT. 734.

To promote the foreign trade of the United States in grapes and plums, to protect the reputation of American-grown grapes and plums in foreign markets, to prevent deception or misrepresentation as to the quality of such products moving in foreign commerce, to provide for the commercial inspection of such products entering such commerce, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person to ship or offer for shipment or for any carrier, or any steamship company, or any person to transport or receive for transportation to any foreign destination, except as provided in this Act, any grapes or plums in packages which are not accompanied by a certificate issued under authority of the Secretary showing that such grapes or plums are of a Federal or State grade which meets the minimum of quality established by the Secretary for shipment in export. The Secretary is authorized to prescribe, by regulations, the requirements, other than those of grades, which the fruit must meet before certificates are issued. The Secretary shall provide opportunity, by public hearing or otherwise, for interested persons to examine and make recommendation with respect to any standard of export proposed to be established or designated, or regulation prescribed, by the Secretary for the purposes of this Act.

Foreign trade
in grapes and
plums, promo-
tion.

SEC. 2. The Secretary shall give reasonable notice through one or more trade papers of the effective date of standards of export established or designated by him under this Act: *Provided*, That any grapes or plums may be certified and shipped for export in fulfillment of any contract made within two months prior to the date of such shipment if the terms of such contract were in accordance with the grades and regulations of the Secretary in effect at the time the contract was made.

Standards of
export.
Notice.

SEC. 3. Where the government of the country to which the shipment is to be made has standards or requirements as to condition of grapes and plums the Secretary may in addition to inspection and certification for compliance with the standards established or designated hereunder inspect and certify for determination as to compliance with the standards or requirements of such foreign government and may provide for special certificates in such cases.

SEC. 4. The Secretary may, by regulation, exempt from compliance with the provisions of this Act the shipment of such minimum quantities of grapes and plums to any foreign country as he may prescribe.

Exemption.

SEC. 5. For inspecting and certifying the grade, quality, or condition of grapes or plums the Secretary shall cause to be collected a reasonable fee which shall, as nearly as may be, cover the cost of the service rendered: *Provided*, That when cooperative arrangements satisfactory to the Secretary, or his designated representative, for carrying out the purposes of this Act cannot be made the fees collected hereunder in such cases shall be available until expended to defray the cost of the service rendered, and in such cases the limitations on the amounts expended for the purchase and maintenance of motor-propelled passenger-carrying vehicles shall not be applicable: *Provided further*, That certificates issued by the authorized agents of the United States Department of Agriculture shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained.

Fees.

SEC. 6. After opportunity for hearing the Secretary is authorized to refuse the issuance of certificates under this Act for periods not exceeding ninety days to any person who ships or offers for shipment

Penalties.

any grapes or plums in foreign commerce in violation of any of the provisions of this Act. Any person or any common carrier or any transportation agency violating any of the provisions of this Act shall be fined not less than \$100 nor more than \$10,000 by a court of competent jurisdiction.

Administration.

SEC. 7. The Secretary may make such rules, regulations, and orders, and require such reports, as may be necessary to carry out the provisions of this Act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, whether operating in one or more jurisdictions; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses including reporting services, as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and as may be appropriated for by Congress. This Act shall not abrogate nor nullify any other statute, whether State or Federal, dealing with the same subjects as this Act; but it is intended that all such statutes shall remain in full force and effect except insofar as they are inconsistent herewith or repugnant hereto.

SEC. 8. If any provision of the Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 9. That when used in this Act—

Definitions.

(1) The term "person" includes individuals, partnerships, corporations, and associations.

(2) The term "Secretary" means the Secretary of Agriculture.

(3) Except as provided herein, the term "foreign commerce" means commerce between any State, or the District of Columbia, and any place outside of the United States or its possessions.

(4) The term "grapes" means vinifera species table grapes, European type, whether or not they have been in storage.

(5) The term "plums" means both European and Japanese type, whether or not they have been in storage, but does not mean Italian-type prunes, nor damson-type plums.

Approved September 2, 1960.

